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China at the Peace Conference

遠東政治評論

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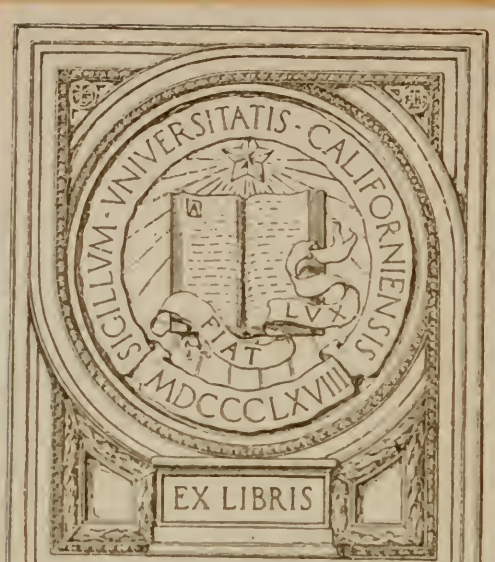
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EDITORIAL.

This Review is devoted to the study of diplomacy and the politics of the Far East. Its purpose is to promote friendly international relations, especially aiming at the promotion of liberal and democratic ideas in this part of the world.

The European war ended by the fall of the German Empire. The victory of the Allied and Associated Powers is the triumph of liberal and democratic ideas upon the most hated German imperialism, which endangered the peace of the world. The Peace Treaty has been inspired by the desire for a permanent world's peace as the League of Nations is created in order to assure and maintain such a beneficial peace to the Society of Nations.

It has been proved that the Foreign Chancelleries have not been well informed of what happened in the Far Eastern Countries. Their attitude were but often based upon incomplete reports.

The time has come for looking more seriously upon the Far Eastern problems.

This Review is published in order to supply the Chinese point of view on the Far East so as to give an accurate report to Foreign Chancelleries as well as those who are interested in the Far Eastern evolution.

It follows the current movements of foreign politics, but gives special attention to the questions in the Far East.

Communications in reference to articles, and exchanges should be addressed: *Editor, Far Eastern Political Science Review, 2 East Bund, Canton, China.* Intending contributors are requested to retain copies of articles submitted, as the editors disclaim responsibility for the safety of manuscripts. If accompanied by stamps, articles not found available will be returned.

In this number the editors wish to acknowledge with gratitude the assistance which the *Far Eastern Review* and the *Millard's Review* have rendered them especially in the checking up of their various quotations.

The Diplomatic Association.

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CHINA AND THE WAR

Japan's Interference

The Kiao-Chow Problem at the Peace Conference

The Wai-chao-pu (Chinese Foreign Office) on August 22, 1917, notified the Netherlands Minister at Peking that a state of war existed between China and Germany and China and Austria-Hungary.

China's declaration of war was handed to the Netherlands Minister for the simple reason that China having severed diplomatic relations with Germany and Austria-Hungary on March 14, 1917, after Germany having announced that her policy of unrestricted naval warfare was to take effect on February, beginning from that date declaring that all vessels will be attacked by all available weapons without further notice, the Netherlands Minister was entrusted with the protection of Germans and Austro-Hungarians on March 15, 1917. China became an associated power for

the Allies, participated in the war and took part in the Peace Conference. China's delegates were instructed by their government to lay down before the Conference all the international questions, diplomatic as well as economic, which questions by their importance were susceptible to endanger the world's peace. Unfortunately the Conference was unable to find out equitable solution and China's delegates to the Conference in conformity with the view of the Chinese nation *refused* to sign the Peace Treaty.

China's attitude was bitterly critiscised by those who are not well acquainted with the peculiar situation of China as an associated power for the Allies as well as with the proceedings of the Peace Conference.

China's attitude has to be plainly explained, so that is the hard task we have assumed to perform. Hard indeed is the task assumed, but as we will show the greatest impartiality we hope that those who shall read our explanations will be convinced of the righteousness of China's claims at the Peace Conference.

In order to give a clear comprehension of the facts which is necessary for a clear understanding we will divide the following pages into several chapters.

In the first place we will rapidly but judicially examine what was the political situation in China when the war was declared in Europe.

Political situation In China.

We don't think it is necessary to describe the geographical position of China nor to analyse her historical evolution till the moment when she entered the war. Every one knows that China is in the Asiatic contin-

ent and that her population is one fourth of the whole human race As the country is not opened up by roads or railways, so the modern means of communications do not exist at all. This is the situation in the interior of China, for it is easy enough to be kept informed in the main centres and the treaty ports where the telegraph lines are intact.

It is a fact that the Revolution of 1911 destroyed the anti-foreign spirit and the outlawry shown in many parts of the country. The aid of revolution was invoked to extirpate the primary cause, i. e., the irremediable suppression of the individual qualities, the moral and material development of China by the despotic domination of the Manchu Dynasty, the substitution of a Republic for a Monarchical form of Government was not the fruit of a transient possion; it was the natural outcome of a long cherished desire for freedom and progress. It was the formal declaration of the will of the Chinese nation.

The substitution of a republican for the monarchical form of Government rendered possible the entrance of China to take her active participation in the family of nations but it failed to solve the political difficulties which the new regime must face.

The reactionary element checked by the revolutionary movement tried its ulmost not only for hastening the ruin but also for recovering its power. Such attempt should have fatally been useless if the Western Powers by their interference did not approve of the enterprise of the reactionary element. The Western Powers was however thinking at that time that a republican regime was not suitable for China, and they had the impression that she could only be ruled by a despotic Government. It is not necessary to add that such inadequate opinion was the consequence of reports sent by diplomats living at Pekin.

That was the first mistake of the foreign diplomacy in China as proved by the events occured from that time till to-day. This first mistake could have been easily remedied but the western statesmen have never had an accurate report of the situation in China. The cosmopolitan finance claiming for the extraordinary to monopolize the financial assistance to China also contributed to enforce the erroneous opinion of the western statesmen.

As an inevitable consequence of the moral and financial support given by the Western Powers and Japan, Yuan Shi-Kai was able to crush the republican regime.

Twice the Chinese people resorted to arms in order to overthrow the usurpator, but twice failure was only the result obtainable.

There is no place for a detailed examination of the causes of failure. We are rapidly recalling the past in order to give an idea of the political situation in China when Germany started her campaign for the World's domination provoking the most dreadful conflagration which involved China.

When the war broke out in Europe, the political situation in China was not reassuring at all. The National Parliament elected was dissolved on November 1913: the Provisional Constitution drafted at Nanking and accepted by all the politcal parties was abrogated. Yuan Shi-Kai convoked an unconstitutional parliament, and fought victoriously against his political adversaries, through the moral and financial supports given by the Western Powers and Japan.

Notwithstanding the triumph of Yuan, the conditions in China were alarming. While the military element in the northern provinces were absorbing the Government, the other provinces were exploited by the Military Governors and their followers. Political adversaries of the usurpator were preparing another revolution. Indeed, the conditions were at that time deplorable.

The European war can but aggravate so deplorable a situation. France, England, Russia, Germany, Japan as other Powers involved in the struggle changed their foreign policy in China. Some of these Powers wanted the Peking Government to remain neutral, while the others demanded that China should enter the war. The most prominent feature was Japan's attitude opposing China's co-operation in the war on the Allies side. We will analyse such an incomprehensile attitude at this time and show what motive were invoked by the Japanese statesmen. Being entirely depended upon Japan the Peking Government was forced to grant more and more advantages to her. When loans and money were not persuasive enough Japan then resorted to threat and ultimatum.

The situation in the Far-East extremely favoured the realization of one Japanese scheme for her definitive preponderance in the Far-East.

Germans and China's Neutrality

China's neutrality was effectively in Germany's favour. All the main centers were transformed in a sort of basis by Germans for their propaganda across the Chinese provinces. As long as the United States

of America remained neutral, German firms, admirably backed by their Minister at Pekin and Consuls in Chinese cities, could give to the mass the fallacious illusion of an irresistible power. Thanks to the pusillanimity of Chinese officials germanized or corrupted by the German gold, thanks also to the principle of extraterritoriality evoked by all foreigners living in China as well as the regime of Foreign Concessions, the Germans were able to plot against the security of the Allies colonies in Asia. It will be remembered that German subjects in the Foreign Settlements were protected by the municipal regulations of these Settlements even in the French or English Concessions. The Allied diplomats made several remonstrances to the Peking Government but without effect, and it was a matter of fact that the Allied Governments were unable to take up adequate measures in the occurence.

Till the entrance of China in the war the Germans pushed on their economical expansion. Their success is undeniable. It is patent to all beholders.

German merchants were at every port. In interior China, far away from the beaten tracks, Germans were selling the cheap article "made in Germany." As before the war, they go into the byways, beating up trade and creating new trade, putting themselves to inconvenience and exertions to get orders, doing all they can as importers of the goods in reserve in the main centers or secured from neutral countries by equivocal firms masqueraded as neutral or even as allies. Sometimes Allied Court of Justice was forced to interfere and sent the trespassers to jail. We don't want to publish any name but it would be easy for anyone to obtain informations from the Foreign Consulates in China.

Germany's commercial position in China was formidable. In some port as Tientsin, the Germans were serious rivals; the sucess of their desire to capture the lion's share of the growing trade which will go to Europe also by the "import" of peculiar commercial methods highly praised by the Chinese merchants.

In the first place Germany understood that one effective neutrality would only save her privileged situation in China. Streonuous efforts were made in view of safeguarding such a situation but without success. The Germans were beaten on the diplomatic ground as they were in the battlefields. If we recalled here what was the commercial position acquired by Germany in China is to show that China's entrance in the war as her participation in the struggle was important and that it would not be equitable for ignoring the part played by China.

The initrigues of the German Minister at Peking, his pressure upon the authorities there for keeping up the neutrality could have been successful thanks to Japan's attitude who contested to China the liberty to enter the war on the Allies sides and was able to force China to obey as to compel the Allies Powers to agree with. But internal political events occured which modified Japan's attitude.

It would be remembered that the political adversaries of the Peking government were seeking for financial support from the Germans. Such an assistance, if given, would have, of course, provided the opposition with funds enough for an armed campaign against the Peking government. It is probable that the Japanese diplomats well acquainted with the undergoings of the Chinese internal affairs urged the Tokio Govern-

ment to change her attitude. Financially assisted by the Germans it was certain that if the opposition succeeded in their enterprise against the unconstitutional Government of Peking, Japan could loss all the advantages secured from the said Government. Then the secret negotiations took place with Japan, France, England, Italy and Russia. Japan bargained the entrance of China in the war on the Allies side provided these Powers would recognise all secret treaties imposed by Japan upon China till this date as well as for the treaties which may be concluded in the future.

We have to mention that Germany following her brutal policy towards the small or weak countries ventured to threaten the Peking government of the worst treatment if they gave way to the neutrality. That was, it is to be recalled, before the severance of diplomatic relations with Germany and Austria-Hungary.

The Japanese Situation when the War broke out.

The war has been a good fortune for Japan which situation was not reassuring at the end of 1914. For her maintenance as a first class or great power, Japan was forced to draw an enormous budget as to resort to new taxation in order to secure the sums in lispensable for her fleet and army. It would have been desastrous to her pre-tige if she was incapable of keeping up her rank, Loans borrowed from foreign countries, heavy

internal taxation, and incomprehensible items inserted in her state budget as these expenses for five or ten years which expenses were regularly spent in the first year, succeeded to maintain Japan's position in the family of nations. But such subversive policy can't sustain eternally and Japanese statesmen apprehended the moment when they will be forced to employ rational method.

All those who are acquainted with the Japanese governmental system know that Japan could get herself out of this enervating financial situation, which is the positive consequence of all agricultural country turning up in one big industrial and manufacturing country. Each year the import showed more millions of yens than export. The foreign market did not offer important "debouches" to Japanese articles which though cheaper and well presented could not bear comparison with similar articles manufactured by England or the United States. The most favourable country for the Japanese exports was unquestionably China which with her immense natural resources will assure to Japan the raw materials indispensable for her industry which materials she could not extract from her land. The geographical position of China at proximity of Japan would but favoured economic relations between the two countries.

To dominate China is the only way for Japan to get what she must have for her prosperous future. Japanese statesmen realised the hard position of their native land and decided to fix one's choice on China. The weakness of the Manchu Dynasty so as the pusillanimity of the Peking Government favoured the realisation of the Japan's scheme for her penetration into China.

It is impossible here to give an accurate idea of the methods employed by Japanese merchants in China. In spite of the unprincipled and shady tactics which could be noted everywhere, Japanese merchants are doing business, they have brought themselves into the position of the favoured nation in China. Japanese merchants have determined to get the trades by any means. To day they are in everything, they are everywhere, seeking out the best centres for the opening up, finding out what there is a demand for and marking out the centre from whence their trade may be handled to the disadvantages of everyone.

It is to be recalled here that as Japanese laws afford no protection for the foreign trade marks, Japanese can, with impunity, and for their profits, imitate these marks and supplied China's markets with forged foreign articles but in reality made in Japan.

China with its infinite ressources of coal, iron, and other minerals is fatally an easy prey to the Japanese statesmen, who never departed from the scheme framed to dominate and counted. Chinese race's affinity as a factor preponderant for the realization of the scheme. When Japanese diplomats are sometimes unable to devise adequate decision or show hesitation in the selection ot means to be adopted, then they resort to the menace of coercition. The foreign policy of Japan during the war superabundantly proves this assertion. As " guardian " of the Peace in the Far-East, Japan was something as the regulator of the destiny of China. Never situation was so propicious for the planning up of the scheme for China's domination. Japan's menaces and ultimatum realized what her diplomats were unable to secure nor her gold to buy.

The Chinese people bitterly resented the Japanese policy towards their country and several times showed their disatisfaction for the old fashioned method adopted by the Peking Government. If Japan had secured advantages in China, she had lost the esteem and the confidence of the Chinese people during the war as probably she will never be able to regain again the sympathy of the same.

The United States and the Entente Powers when the War was declared.

Before analysing the declaration of war of Japan to Germany, the respective situation of the Entente Powers in China must be briefly examined. These powers as well as Japan or Germany were then entirely under the influence of the financial group recognised at the "Group of Five Nations" following the suggestions of the said Group and obediently served its interests. England was making desperate efforts in order to safeguard her prominent interests against Germany as well as Japan's enterprise while France faithful to her diplomacy "pas d'affaires" was satisfied with the success of her Allies. Conjointly with Japan and Germany they supported the unconstitutionnal Government of Yuan Shi-Kai and his successors. In spite of facts proving conclusively the initial error committed they have not changed their policy.

It is to be wished that the Foreign Powers who are supporting the unconstitutionnal Government of Peking recognizing the error would change their policy. We learned from a reliable source that on November 2,

1918, the Allies transmitted a Note to China complaining of the following facts: (1) The Peking Government employed and wasted the Boxer indemnity, which was postponed, and the Salt Gabelle surplus, which released by the Allies, in party strife; (2) Although the War Participation Bureau had been established and the soldiers had been trained, they were used for civil war.

It remains incomprehensible why the Foreign Powers continued to support such a Goverpment. Being forced by Germany to prepare for the war the Entente Powers were candid enough as to entrust Japan with the care of the maintenance of peace in the Far-East. Japan of course fulfilled the mandate, but securing advanteages in China as well as the support of the Entente Powers for the preservation of the advantages acquired.

The Uuided States never looked upon with favour to one policy of political or economical penetration into China. Although sympathizing with the Chinese republican idea and ostensibly refusing to back the undertakings of the American Bankers, the Uuited States accepted the situation resulting of the attitude of the Entente Powers, Germany and Japan. The Monroe Doctrine was responsible for the policy followe l by the United States, but one of the consequence of the war will be to modify this policy as to reverse her initial view regarding the possible assistance which could be afforded to China.

We do not mention secondary facts, the summing-np of the respective situation of the Foreign Powers in China being susceptible to give an accurate idea of the general situation in China when the war was declared.

Japan declares war on Germany.

Since 1902, Japan is the ally of England. The treaty between the two countries was renewed at the time of it expiration. The policy of England entering into an alliance with Japan, in spite of opposition raised from various quarters, was at that time, in a variety of ways, commented in English as well as in Japan circles. Some Japanese critics demanded revision of the alliance on the ground that it imposes heavier obligations on Japan than on England Setting aside their contention there is also dissatisfaction voiced in other quarters, chiefly on the alleged facts that Japan is liable to be exploited by England and relegated to the position of a watch-dog for he in the Far-East, and also that Britons in the Extreme-Orient, especially in China, envious of the Japanese activity in the Yangtze valley which they regard as their sphere of influence, are anti-Japanese in their sentiments and throw obstacles in the way of Japan's economic expansions Enraged at this some Japanese writers go to the length of advocating the renunciation of the alliance and it was urged in some extreme cases that it should be substituted by an alliance with Germany. As Japan adopted Germans methods for her internal administration and always endeavoured to imitate Germany, so the advocating of an alliance with this country could not provoke surprise except in circles not acquainted with Japanese policy. The attitude of statesmen favouring the alliance with Germany shows that the situation in Far-East could have been modified if the Allies resistance was not preparing the way to the victory.

Japan was afraid of Germany as her most dreadful rival in Chinese commerce and it was easy to understand that as the competition would have been keener, the Germans would have been more anti-Japanese than the other foreigners. So long as Germany was not perfectly crushed there were fears lest she might try to extend her influence from Russia to Siberia and from Siberia to China, Japan is planning for her own safety against another possible eastward advance of Germany, and this scheme involved the violation of: the territorial integrity of China, her sovereign rights, the principle of the open door as well as the doctrine of equal opportunities for all Foreign Powers. It is needless to say that Japan could have been able to deal with this new enemy better in conjunction with England than singlehanded On the other hand Japan had good reason to beleive that the United States will stand in perfect concordance with the Japanese views regarding to the territorial integrity and the open door of China, and Japan also believed that the United States will not ally herself with any country for fear of forfeiting her free movement under traditional policy of the Monroe doctrine. The participation of the United States in the war give way to all suspicions which may exist in Japan regarding the possible attitude of the great American Republic.

It is evident that the Anglo-Japanese Alliance criticized by both Britons and Japanese remained as one basis favourising the expansion of Japan in China. The war and her participation in the war effectively contributed to assure Japanese preponderance in the Far-East.

Bound to England by her alliance Japan declared her readiness to meet the obligations imposed upon her by this alliance.

When the war broke out in Europe the Mikado was residing at his summer palace at Nikko. Ministers were immediately convoked by the Japanese Emperor who also called the "Genro", (elder statesmen) and the members of his Private Council in order to discuss and determine what would be Japan's policy. Many conferences were held at Tokio between the Ministers and the Representatives of the Allied Powers whereas Japanese Ambassadors and Representatives at London, Paris, Petrograd conferred with the respective Governments in these capitals.

On August 15, 1914, the Mikado left Nikko for Tokio where a Council of State Ministers in which the Genro attended was held. On the night of the same day, the Japanese Government handed to the German Ambassador at Tokio and, on the other hand, wired to the Japanese Charge d'Affaires at Berlin, the following Note :

"We consider it highly important and necessary in the present situation to take measures to remove the causes of all disturbances of the peace in the Far-East, and to safeguard the general interests as contemplated by the agreement of alliance between Japan and Great Britain.

"In order to secure a firm and enduring peece in Eastern Asia, the establishment of which is the aim of the said agreement, the Imperial Japanese Government sincerely believes it to be its duty to give the advise to the Imperial German Government to carry out the following two propositions:

"First.—To withdraw immediately from Japanese and Chinese waters German men-of-war and armed vessels of all kinds, and to disarm at once those which cannot be so withdrawn.

"Second.—To deliver on a date not later than September 16th to the Imperial Japanese authorities, without condition or compensation, the entire leased territory of Kiao-Chow, with a view to the eventual restoration of the same to China.

"The Imperial Japanese Government announces at the same time that in the event of not receiving by noon on August 23rd, 1914, an answer from the Imperial German Government signifying its unconditional acceptance of the above advice offered by the Imperial Japanese Government, Japan will be compelled to take such action as she may deem necessary to meet the situation."

The German Government having verbally declared on August 23rd, that she would not answer this Note and as the Japanese Charge d'Affaires having received his passport, the Japanese Imperial Government declared the same day, at noon, that the state of war was existing between Japan and Germany. On the afternoon of the same day at 5 p.m. the following Imperial Rescript declaring war on Germany was issued:

"We, by the grace of Heaven, Emperor of Japan, on the throne occupied by the same Dynasty from time immemorial, do hereby make the following proclamation to all Our loyal and brave subjects:

"We, hereby, declare war against Germany and We command our army and navy to carry on hostilities against that Empire with all their strength, and We also command all Our competent authorities to make every effort in pursuance of their respective duties to attain the national aim within the limit of the law of nations.

"Since the outbreak of the present war in Europe, the calamitous effects of which We view with grave concern, on Our part, have enter-

tained hopes of preserving the peace of the Far-East by the maintenance of strict neutrality, but the action of Germany has at length compelled Great Britain, Our ally, to open hostilities on that country, and Germany is at Kiao-Chow, its leased territory in China, busy with warlike preparations while her armed vessels, cruising the seas of Eastern-Asia, are threatening Our commerce and of Our ally. The peace of the Far-East is thus in jeopardy.

"Accordingly, Our Government, and that of His Britannic Majesty, after a full and frank communication with each other, agreed to take such measures as may be necessary for the protection of the general interests contemplated by the agreement of Alliance, and We, on Our part, being desirous to attain that object by peaceful means, commanded Our Government to offer, with sincerity, an advice to the Imperial German Government. By the last day appointed for the purpose, however, Our Government failed to receive an answer accepting their advice.

"It it with profound regret that We, in spite of Our ardent devotion to the cause of peace, are thus compelled to declare war especially at this early period of Our reign and while We are still mourning for Our Lamented Mother.

"It is Our earnest wish that, by the loyalty and valor of Our faithful subjects, peace may soon be restored and the glory of the Empire be enhanced."

It is to be noted that the second proposition contained in the Japanese Note of August 15, 1914 to Germany is referring to the surrender on a date not later than September 15 to the Imperial Japanese authorities, without conditions or compensations, the entire leased territory of

Kiao-Chow, with a view to the eventual restoration of the same to China.

Japan began her compaign by besieging Tsingtao, the harbour of of the leased territory Kiao-Chow. Therefore her fear of suspicion of her Western Allies as well as from United States compelled her to give assurances in her declaration of war on Germany that if she claimed the surrender of the leased territory of Kiao-Chow it was "with view of eventual restoration to China."

After the Japanese victory at Tsingtao, anticipating the anxiety that might arise in America in regard to the inpending action of Japan in the Far-East, Count Okuma, Prime Minister at that time, on November 7, cabled for publication in the United States the following: "Japan's proximity to China breeds many absurd rumors, but I declare that Japan acts with a clear conscience, in conformity with justice and in perfect accord with her Ally, Japan has no territorial ambition, and hope to stand as the protector of peace in the Orient." Even as early as August 24, 1914, Count Okuma cabled to the NEW YORK INDEPENDENT, a "Message to the American People", in which he declared: "As "Premier of Japan, I have stated and now again state to the people of" "America and of the world that Japan has no ulterior motive, no desire to" "secure more territory, no thought of depriving China or other people of" "anything which they now possess. My government and my people have" "given their word and their pledge, which will be honorably kept as Japan" "always kept her promises."

Then by authentic declarations Japan acknowledged the righteouness of China's cause upon the sense of international justice and the principle "de droit international."

Japan's declarations in her ultimatum to Germany as well as the declarations of Count Okuma proves that China's right to recover directly the rights, titles and privileges granted by her to Germany remains unquestionable.

Before going further in the matter we must recalled that the English troops, 1.360, commanded by Major General Barnardiston, co-operate in the operations against Kiao-Chow. If these troops did attempt to co-operate with the Japanese but they were so handicapped and obstructed that they did not get near enough to the fighting area.

There was no necessity for the Japanese troops to land outside the German leased territory as they did. If the British contingent was able to go on shore inside the line of the German zone why was it necessary for Japan to land her troops at Lungkow, inside the Gulf of Petchili, and as a preliminary measure to seize the Shantung railway, the German mines and to occupy the provincial capital of Shantung province?

In 1904, during the Russo-Japanese war, anxious to preserve foreign good will, Japan assented to the proclamation of Chinese neutrality in the zone west of the Liao River (Liao-hsi); in 1914, when she knew that no Power could actively oppose her, she resented China's proclamation of a neutral zone in Shantung using that as one of the main reasons why she presented the Twenty-one demands.

Japan desired to settle China's position once and for all as a "subordinate State."

Pretending with the desire to solve those various questions which are detrimental to the intimate relations of China and Japan with a view to solidifying the foundations of cordial friendship subsisting between the two countries to the end that the peace of the Far-East may be effectually and permanently preserved, the Japanese Imperial Government opened negotiations with Yuan Shi-Kai who preparing his ascension to the imperial throne at that time.

Definite proposals were presented to Yuan Shi-Kai on January 1915. These definite proposals were the famous TWENTY ONE DEMANDS, which demands shocked the world's opinion and make Foreign Governments, Parliaments and Press inquiring about the Japanese proceedings towards China.

What were these TWENTY ONE DEMANDS? To what questions were these demands referring to? (1)

These Twenty-one demands, as the reader will be convinced, were the complete subordination of China to Japan. While the Great Powers had their eyes elsewhere Japan attempted to absorb China.

When the Japanese Minister, Mr. Hioki, on that fateful day of January 1915, visited Yuan Shi-Kai and presented the Twenty-one demands. he formally offered to the Dictator Japan's support and sanction, provided he became "submissive," i.e., accepted his kingship from Japan and made China a "boundary state." Yuan Shih-Kai rejected the offer, because although he was now sure that Japan knew of the steps he had already secretly taken regarding making himself emperor, he saw clearly

(1)—See Appendix

that the acceptance of Group V would tie his hands to such an extent that no matter whether Japan assisted him in suppressing the great rising which his new empire must bring he would be shorn of all power.

That is the secret of the negotiations that followed Group V was composed of articles which Japanese Ambassadors abroad accurately called desiderata, because they were part and parcel of a scheme which would have rendered unnecessary the nibbling process of the first four groups, a process originally intended by Russia in the middle of the Nineteenth Century and copied by Japan. Group V was not European: it was on the Chinese Ming Dynasty model and it had to be dropped because a complaisant Yuan Shi-Kai was an essential part of it.

Japan's action in regard of the Twenty-one demands cannot be justified by any argument that will carry conviction to those to whom the facts are known. Japan's action was a stain upon Japan's national honour and her international reputation.

It is evident that Japanese statesmen and her diplomats never expected that China could enter the war and be represented at the Peace Conference when the Twenty-one demands were presented. Japan would have eagerly establishsd her direct rule over China had not China resisted, and with the assistance of outside, her attempt. This was one of the first causes of annoyance for the Mikado Government.

The Chinese people have not forgotten the unforgettable tragedy of Feb. 27, 1915, when the Twenty-one demands come like a thunderbolt.

Japan did her best to keep China neutral in her own interests and in the hope that there would be no turning back to this shameful page in Far Eastern diplomacy when the day of reckoning arrived. Japan's rea-

sons and her motives were frankly disclosed in November, 1915, when, in response to what she beleived to be the desire of the European Powers, China sought to enter the war. "Japan, said Baron Ishii, the Japanese Minister of Foreign Affairs, to the European Ambassadors at Tokyo, could not view without apprehension the moral awakening of 400,000,000 Chinese which would result from their entering the war." It is to forestall that awakening that Japan would retain her hold in Shantung. We may put aside the pledges and assurances given by Japan at the time she wrested the leased territory of Kiao-Chow from Germany, she declared in her ultimatum to Germany that it was "with a view to eventual restoration of the same to China." We may pass over Count Okuma's statement that his Government would take "no such action as to give to a third party any cause for anxiety' or uneasiness regarding the safety "of their territories or possessions." We may leave out of account Okuma's telegraphed message to the American people that in ousting the Germans from Kiao-Chow "Japan has no ulterior motive, no desire to secure more territory." We need not dwell upon the Root-Takahira (1) and the Lansing-Ishii (2) agreements, in both of which Japan pledged herself to respect the independence and territorial integrity of China. All these things belong to the past.

Viscount Ishii afterwards was appointed Minister to the United States. On April 24, 1919, he renewed his explanation why he could not then indorse such a plan It was to the effect that he felt that a declara-

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(1)—See Appendix

(2)—See Appendix

tion of war by China against Germany at that time would have added immensely to the excitement of the people and created confusion throughout all of China, from which China and Japan would have suffered.

The Japanese Ambassador's statement was prepared by himself after he had read the special despatch from Charles A. Selden to "The New York Times," printed April 22, 1919, in which Japan's case was likened to Italy's. In that article it was pointed out that Viscount Ishii, then Baron Ishii, who was opposed to China entering the war, was credited with having said to the European Ambassadors at Tokio: "Japan could not view without apprehension the moral awakening of 400,000,000 Chinese, which would result from their entering the war."

Viscount Ishii in his statement said:

"Was I apprehensive of the moral awakening of the 400,000,000 Chinese? The idea is fantastic. It is to effect this very awakening of the Chinese that Japan has been putting forth all efforts for these many years sending professors to China and welcoming Chinese students to Japan. So long as China remains in a state of lethargy, she is in danger of her existence. And that danger is at the same time Japan's danger. Japan's security lies in the awakening and rising to power of China.

"But inducing China to participate in the war of 1915 was another affair, which I could not in conscience indorse. China was then passing through a most critical period. Yuan Shih-Kai, President of the young republic, who was fitly called the Huerta of China, had just started his monarchical movement and sought to nip China's new born liberty in the bud by assuming the title of Emperor, with all that that title meant in China. An armed opposition had sprung in Yunnan and was gathering strenghth from day to day.

"The whole country was on the verge of revolution and arnarchy. China was, moreover utterly distitute of arms and ammunition. What could we expect from her in such a condition?

"The military value to the Entente of the proposed Chinese participation was almost nil. The mere fact of a declaration of war by China would have immensely added to the excitement of the people, and rendered confusion worse confounded throughout the whole country. The greatest sufferer from such a condition in China would be, next after China herself, her neighbour, Japan. Again. from a humanitarian point of view, it was the duty of every belligerent to endeavor to restrict the sphere of war calamity, unless substantial military advantage were to accrue from their extension.

"I know my successor at the Foreign Office, Tokio, took two years later a different view on the question. He had probably his own reason in the presence of the changed situation."

It is incredible that Viscount Ishii had estimated the military value of the Chinese participation as "almost nil." Such a confession could but only enforced the opinion that Japan opposed the entrance of China in the war till the appeal of President Wilson to China to join in his protest against German submarini-m, till the moment when Japan can no longer oppose China's entrance into the war but her assent to this entrance was given on the terms she laid down in the secret treaties concluded with England, France, Russia and Italy.

The following correspondence from Paris was written by the correspondent of the *New York Times*. Some of the statements made

have been denounced as absurd, but the text of the notes stands unquestioned.

Paris, April 21.

"No delegation outside those of the Powers directly concerned is more interested in the outcome of the Adriatic controversy than the Chinese, for there is a point of curious similarity between the quarrel of Italy and Jugoslavia and that of China and Japan over the Chinese Province of Shantung. There is also this difference: Italy is struggling to get the debatable territory promised her by England and France as an inducement to enter the war; Japan is fighting to get admittedly Chinese territory as a reward for letting China enter the war.

"Japan bases her case on secret agreements made by England, France, Italy and Russia in February, 1917, that they would support Japan's claims to the German Pacific islands north of the equator, and to the Chinese territory of Shantung from which Germany had been ousted. Evidence of these promises given to Japan is contained in hitherto unpublished diplomatic notes which are part of this cable dispatch.

"Neither President Wilson nor the Chinese delegates knew of the existence of these secret agreements when they came to Paris. The disclosure was first made to Mr. Wilson at a meeting of the Council of Ten, when the question of the mandatory as system suggested by the American President was first under discussion. It was then proposed that the German islands be disposed by placing them under mandates.

"It was an awkard moment. Mr. Lloyd George remarked that an arrangement of a different character had already been reached with reference to the islands. Mr. Wilson asked what it was. Mr. Lloyd George

turned to Baron Makino for an explanation, whereupon Mr. Wilson was informed that Japan had received the promise of England, France, Italy and Russia, two years before, that she should have outright all the German islands north of the equator, and that she had agreed that Australia should have all to the south. It was common knowledge that such a distribution had been long contemplated, but nobody outside the Foreign Offices of the Governments directly involved knew that there were definite, signed agreements concerning the deal.

"After learning so much Mr. Wilson asked if there were any other secret agreements which had not been produced at the conference. It was then admitted that the agreement with Japan also included the British, French and Italian promises to support her claims to the Chinese Province of Shantung as the price Japan demanded for allowing China to enter the war, despite the fact that China had been repeatedly trying to get into the war against Germany of her own volition.

"The reason for her failure to become a participant makes an interesting phase of this Asiatic question. She was barred out in the early stages of hostilities because Japan had no desire to let China participate in the military task of recovering her own territory in Shantung Province from the Germans at Kiao-Chaw. Again, in November, 1915, China tried to enter the contest as desired by the European powers. On that occasion Baron Ishii, then Japanese Minister of Foreign Affairs, said to the European Ambassadors at Tokyo: "Japan could not view without apprehension the moral awakening of 400,000,000 Chinese which would result from their entering the war."

"China did not dare act contrary to the wishes of Japan for she knew Europe could not help her in case of need, and she feared Japanese aggression. But another opportunity came to China early in 1917, when the United States broke diplomatic relations with Germany and invited all the neutral countries of the world to follow her example. Then Japan, like the rest of the world, realized that America would soon become an active belligerent, and that the defeat of Germany was no longer a matter of doubt. Japan also realized then that she could no longer keep China neutral; so Viscount Motono, then the Japanese Minister of Foreign Affairs, immediately set to work to insure Japan's position in the Peace Conference in anticipation of China herself being represented at that conference to plead her own cause.

"From this resulted the following diplomatic correspondence with its secret promises.

Motono first took up the matter with the British Ambassador at Tokyo. The Ambassador's reply was the following letter :

"British Embassy, Tokyo, Feb. 16, 1917.

"My Dear Excellency,

"With refereuce to the subject of our conversation of the 27th ultimo, when your Excellency informed me of the desire of the Imperial Government to receive assurance that on the occasion of a Peace Conference his Britannic Majesty's Government will support the claims of Japan in regard to the disposal of Germany's rights in Shantung and possessions in the islands north of the equator, I have the honor, under instructions received from his Britannic Majesty's principal Secretary

of State Foreign Affairs to communicate to you the following message from his Britannic Majesty's Government:

" His Britannic Majesty's Government accedes with pleasure to the request of the Japanese Government for an assurance that they will support Japan's claims in regard to the disposal of Germany's rights in Shantung and possessions in the islands north of the equator on the occasion of the Peace Conference; it being understood that that the Japanese Government will in the eventual peace settlement treat in the same spirit Great Britain's claims to the German islands south of the equator.'

"I avail myself of this opportunity, M. le Ministre, to renew to your Excellency the assurance of my highest consideration."

CONYNGHAM GREENE.

"His British Majesty's Ambassador.

"To his Excellency, Viscount Ichiro Motono,

"His Imperial Japanese Majesty's Minister for Foreign Affairs."

"In his reply to the above communication from the British Ambassador, Motono, after the usual diplomatic exchange of courtesies wrote:

"The Japanese Government is deeply appreciative of the friendly spirit in which your Government has given assurance and is happy to note it as fresh proof of the closeties that unite the two allied powers. I take pleasure in stating that the Japanese Government on its part is fully prepared to support in the same spirit the claims which may be put forward at the Peace Conference by his Majesty's Britannic Government in regard to the German possessions in the islands south of the equator."

The date of this letter is Feb. 21 1917.

"On Feb. 19, Motono wrote notes to the Russian and French Ambassadors at Tokyo, as follows:

"The Imperial Japanese Government has not yet formally entered into conversations with the Entente Powers concerning the conditions of peace I propose to present to Germany because it is guided by the thought that such questions ought to be decided in concert between Japan and the said power at the moment when the peace negotiations begin. Nevertheless, in view of the particular arrangements concerning peace conditions, such as arrangements relative to the disposition of the Bosphorus, Constantinople, and the Dardanelles, being already under discussion by the powers interested, the Imperial Japanese Government believes that the moment has come for it is also to express its desire relative to certain conditions of peace essential to Japan and to submit them for the consideration of the Government of the French Republic.

"The French Government is thoroughly informed of all the efforts the Japanese Government has made in a general manner to accomplish its task in present war, and particularly to guarantee for the future the peace of Oriental Asia and the security of the Japanese Empire, for which it is absolutely necessary to take from Germany its bases of political, military, and economic activity in the Far East.

"Under these conditions the Imperial Japanese Government proposes to demand from Germany at the time of the peace negotiations the surrender of the territorial rights and special interests Germany possessed before the war in Shantung and the islands situated north of the equator in the Pacific Ocean.

" The Imperial Japanese Government confidently hopes the Government of the French Republic, realizing the legitimacy of these demands, will give assurance that, her case being proved, Japan may count upon its full support on this question.

" It goes without saying that reparation for damages caused to the life and property of the Japanese by the unjustifiable attacks of the enemy, as well as other conditions of peace of a character common to all the Entente Powers, are entirely outside the consideration of the present question."

"Twelve days later the French Ambassador replied to the Japanese Foreign Office as follows:

" The Government of the French Republic is disposed to give the Japanese Government its according regulating at the time of the peace negotiation questions vital to Japan concerning Shantung and the German islands in the Pacific north of the equator. It also agrees to support the demands of the Imperial Japanese Government for the surrender of the rights Germany possessed before the war in this Chinese province and these islands.

"M. Briand (1) demands, on the other hand, that Japan give its support to obtain from China the breaking of its diplomatic relations with Germany, and that it give this act desirable significance. The consequence of this in China should be the following:

" First: handing passports to the German diplomatic agents and consuls.

"Second: the obligation of all under German jurisdiction to leave Chinese territory.

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(1)—French Prime Minister

"Third: the internment of German ships in Chinese ports and the ultimate requisition of these ships in order to place them at the disposition of the Allies following the example of Italy and Portugal. According to the information of the French Government there are fifteen German ships in Chinese ports, totalling about 40,000 tons.

"Fourth: requisition of German commercial houses established in China; forfeiting the right of Germany in the concessions she possesses in certain parts of China."

"On receipt of the above Motono wrote expressing profound thanks for the friendly sentiments inspiring the French Government, and in behalf of Japan promised compliance with Briand's request to get China to break off relations with Germany, adding that it had spared no effort in that direction from the beginning.

"The Russian Ambassador wrote very briefly to Motono, Feb. 20. committing his Government also to the support of the Japanese claims at the Peace Conference.

"So far as Italy was concerned, this same business was transacted, not at Tokyo, but at Rome, where the Italian Minister of Foreign Affairs gave the Japanese Ambassador assurance that Italy would offer no objections in the matter."

It is evident, that in entering the war in 1914 the Tokio Cabinet foresaw there was some profit to be made. She mobilised just to the extent necessary for the realization of her scheme which were motived by the following reasons:

(a) The Japanese population is increasing at a rate of 600,000 a year ;

(b) Beyond a negligible number of merchants, professional men and government representatives, Japanese do not emigrate to Formosa or to Korea ;

(c) Migration has no tradition in Japan. The Japanese remains at home ;

(d) The fundamental problem of Japan is food as rice riots in the autumn of 1918 merely brought to public notice what her men have known all along

To feed a population which insists upon staying at home compels Japan to promote industrialism.

Other political reasons are no doubt present, but this one is enough. The example of England is ever before her. Applying man power to raw materials she will exchange manufactured goods for food. Not only manufactured goods buy her food, they will conduce to her military strength.

Unhappily, Japan does not possess at home a sufficient quantity of the raw materials upon which modern industrialism is based. She also finds that the markets for manufactured goods are already in the hands of the Western Powers Moreover outside of China the markets are far away from her factories. Naturally then she looks to China "AS A SOURCE OF RAW MATERIALS AND AS A FIELD WITHIN WHICH TO DEVELOP A MARKET."

What more natural then, at a time when it was safe to do so, than that Japan should take a step forward and land troops in Mandchuria and

at Kiao-Chow preparatory to the forcible administration whose product and whose markets are so necessary to her people.

In the Peace Treaty Germany was made to cede to Japan her rights, titles and privileges in Shantung poovince. The retention by Japan of the German rigghts, titles and privileges are merely serious not only from the point of view of the Shantung province but for China in general.

By the exercise of economic rights in Shantung the Japanese can make the province another Mandchuria and this is feared by the Chinese more than anything else. They judge the Japanese by experience and measure possibilities by the example that has been before their eyes in the past application of Mandchurian methods to Shantung province is regarded by Chinese to mean the doom of North China, for the simple reason that Japan will be able to exert her will any time she pleases upon the government at Peking. If any display of Prussianism is needed to bring the Peking authorities to heel it can be exerted from Shantung as well as from Mandchuria. In fact Japan has secured a strong basis for her economic expansian into China as such acquisition would permit considerable development of Japanese enterprise in North China.

As the "Open door" policy is not yet understood by the Japanese commercial and industrial organisations and their national interests are jealously guarded against incursion by competitors, the foreign firms being unable to meet competition of the Japanese organisations may be forced to withdraw commercial interests from Shantung province.

Under the terms of the Peace Treaty, Germany cedes to Japan all rights, titles and privileges, notably as to Kiao-Chow, and the railroads,

mines and cables acquired by her treaty with China of March 6, 1918, and by other agreements as to Shantung.

All German rights to the railroad from Tsingtao to Tsinanfu, including all facilities and mining rights and rights of exploitation, pass equally to Japan and the cables from Tsingtao to Shanghai and Chefoo—the cables free of all charges—and all German State property, movable and immovable in Kiao-Chow is acquired by Japan free of all charges.

Therefore Japan is able to control development in the Shantung province for the reason that the German rights, titles and privileges embodied in the Kiao-Chow Convention between Germany and China on March 6, 1898 specifically stipulated that "in all causes where foreign assistance, in person, capital, or material, may be needed for any purpose whatever in the province of Shantung such work or supply of materials should be offered in the first instance to German manufacturers and merchants engaged in undertakings of the kind in question." (1) The proviso was also added that "in case German manufacturers and merchants are not inclined to undertake the performance of such works or the furnishing of materials China shall then be at liberty to act as she pleases," (2) but this in reality obviously means nothing.

Is it any wonder that foreign firms interested in the province view the future with apprehension and that the Chinese fear the worst, though, according to the Convention, themselves can utilize their capital for the economical development of Shantung province.

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1 & 2 —See Appendix "CONVENTION FOR THE LEASE OF KIAO-CHOW."

What the treaty does is to prevent the Chinese from employing any other foreign capital than Japanese or of installing any other foreign machinery than Japanese or that supplied through Japanese firms. Adherence to the letter of this inherited Convention is expected of the Japanese, but the Japanese have it in their power to give considerable disappointments by announcing that they intend to discard the monopoly that came to them as a legacy of war in which China appeared as an ally, a tardy one, perhaps, but excusably tardy when it is remembered that Japan opposed her entry in the war at an earlier stage than that which signalised her appearance.

Referring to the economic section of the " CONVENTION FOR THE LEASE OF KIAO CHOW " under which Japan will operate her inherited rights in Shantung railroads, (art: I, II, III, V., Section II, and Part III,) as follow:

" The Chinese Government sanctions the construction by Germany of two lines of railway in Shangtung The first will run from Kiao-Chow and Tsinanfu and Suiping. The second line will connect Kiao-Chow with Chinchow, whence an extension will be constructed to Tsinan through Laiwuhsien. The construction of this extension shall not be begun until the first part of the line, the main line, is completed, in order to give the Chinese an opportunity of connecting this line in the most advantageous manner with their own railway system. What places the line from Tsinanfu to the provincial boundary shall take in en route are to be determined hereafter.

" In order to carry out the above mentioned railway work a Chino-German Company shall be formed, with branches at whatever places

may be necessary, and in this Company both German and Chinese subjects shall be at liberty to invest money as they so choose, and appoint directors for the management of the undertaking.

(3) All arrangements in connection with the works specified shall be determined by a future conference of German and Chinese representatives. The Chinese Government should afford every facility and protection and extend every welcome to representives of the German Railway Company operating in Chinese territory.

Profits derived from the working of these railways shall be justly divided pro rata between the shareholders without regard to nationality. The object of constructing these lines is solely the development of commerce. In inaugurating a railway system in Shantung Germany entertains no treacherous intentions towards China, and undertakes not to unlawfully seize any land in the province.

(4) The Chinese Government will allow German subjects to hold and develop mining property for a distance of 30 li from each of these railways and along the whole extent of the lines. The following places where mining operations may be carried on are particularly specified along the northern railway from Kiaochow to Tsinan Weihsien, Pashanhsien and various other points; and along the southern Kiaochow-Tsinan-Chinchow line, Chinchowfu, Laiwuhsien, etc.

Chinese capital may be invested in these operations and arrangements for carrying on the work shall hereafter be made by a joint conference of Chinese and German representatives.

All German subjects engaged in such work in Chinese territory

shall be property protected and welcomed by the Chinese authorities and all profits derived shall be fairly divided between Chinese and German shareholders according to the extent of the interest they hold in the undertaking.

"In trying to develop mining property in China, Germany is actuated by no treacherous motives against this country, but seeks alone to increase commerce and improve the relations between the two countries.

"The Chinese Government binds itself in all cases where foreign assistance in persons, capital or material, may be needed for any purpose whatever within the Province of Shantung, to offer the said work or supplying materials, in the first instance to German manufacturers and merchants engaged in undertakings of the kind in question.

"In case German manufacturers and merchants are not inclined to undertake the performance of such works or the furnishing of materials, China shall then be at liberty to act as she pleases." (1)

It is generally known that the Germans in a period relatively limited by the brevity of time strenuously developed their enterprise in the Shantung province.

The railroad from Tsingtao to Tsinanfu was built. The second line mentioned in the Convention was not built yet, when war broke out. In December 31, the Germans secured from Peking authorities a preliminary contract for two other railways: one from a point on the north side of the

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1.—See Appendix: Convention for the Lease of Kiao-Chow, Part 2 and 3

Yellow river, near the capital of the province, to a point on the Peking-Hankow railway, and the other from a point near Tsingtao to the same railway but near the southern border of the province. The Germans agreed to cancel all rights of railway construction granted by the "Convention for the Lease of Kiao-Chow" and to modify mining rights given by the Convention referred to.

The war did not permit the Germans to build the new lines projected. The Japanese after they occupied Kiao-Chow took advantage of their preponderant position and the impecuniosity of the Peking Government to secure a new contract for the construction of the two lines projected by the Germans.

The Japanese operated the Tsingtao-Tsinanfu railway from the day of their occupation of Kiao-Chow. This line is some 400 Kilometres in length with several branch lines, one to the Hungshan coal mines, 7 Klm., another to the Fengtze mines, 3 Klm., and an extension of 8 Klm, from Tsinanfu connecting with the Yellow river.

The concession for the line was obtained from the German Government by a syndicate headed by the Deutsche-Asiatische formed for the establishment of a German-Chinese Company with the title of the "Schantung-Eisenbahn-Gesellschaft," on June 1, 1890. On March 21, 1909, a construction agreement was signed between the Chinese Government and the Company, the original capital of the Company being Marks 54,000,000, though this was increased when the Company took over the rights and property of the Shantung Mining Company on January 1, 1913, to Marks 60,000,000.

Construction began on September 23, 1899, when Prince Henry of

Prussia turned the first sod, work being carried on from both ends, with a labor force of some 26,000 men. The first section of 74 Kilometres was opened to traffic to Kiao-Chow on April 8. 1901, and further sections were put into operation the same year. On June 1, 1902, the whole of the first half of the line to Weihsien was opened for freight and passenger traffic and on June 1, 1904, the whole line. including the Paoshan branch was opened. The railway was five years in construction and the entire cost of building and equipment was Marks 62,901,266 or, including interest on capital, and translated into sterling, about £ 9,200 per mile. The survery covered a strip of land varying in breadth between 500 and 2,000 yards, and cost about £ 36 per mile. The land was expropriated according to Chinese law, ls. ld. being paid per square yard with a surcharge of eight per cent. for land in crop and near townships.

The Schantung-Eisenbahn-Gesellchaft owned and operated the line as well as the Fangtze Coal Mines near Weihsien, the Hungshan coal mines near Tsuchuanghsien, and the iron mines near Chinligcheng. The railway and the two coal mines were in full operation, and development work was proceeding at the iron mines, when military operations took place in the territory in September, 1914 The Japanese then assumed control and gradually resumed operation of the railway and the mines.

The Japanese South Mandchurian Railway was charged to administer the line

Foreign and other merchants at Tsinanfu and Tsingtao are greatly concerned at the moment because of the formation of a Japanese transportation company which does not seem to pressage beneficial results in the handling of commerce. This Company has been promised a sliding

scale of benefits for freights passing through its hands and the general impression is that an endeavor is being made to secure the handling of traffic which already goes direct to the railway so that the Company will be credited with existing business and earn immediate profits instead of depending upon the creation of new business for livelihood. It is stated that in order to secure the handling of existing traffic the Company is offering various firms a rebate of one per cent, upon their freight. This practice means that the Company will eventually secure control of the rolling stock and will be able to obstruct any shippers who do not conform with its proposals. Representations seeking elucidation have already been made by Tsingtao firms to the Tsingtao authorities but so far no satisfaction has been received, nor has it been explained how the railway can afford to pay a large percentage on business which it already has on its books.

The mining rights are of the greatest importance to Japan who suffered much from the absence of natural resources in her own land. German Companies were exploiting the mines conceded, when they were forced to abandon it. Under the "Convention for the Lease of Kiao-Chow" (1) a syndicate was formed in Berlin under the direction of the Disconto-Gesellschaft and on October 10, 1899, the Shantung Mining Company was registered in Berlin with a capital of Marks 12,000,000. Mining parties were sent out and they concentrated their efforts in locating coal at Weihsien, Poshan, Putsan, Tawenkou, Yihsien and

(1) See Appendix

Koetschow and for iron at Chinlingchen. Mining was ultimately undertaken in 1901 at Weihsien where at Fangtze a double shaft was put down and works were erected comprising a repair shop with foundry, saw mill, coal separation and shipping department, coal washer capable of handling 80 tons daily, and a briquette factory for 30 tons daily output. About 25 Europeans and 2,000 Chinese were employed, and while in 1902-03 only 9,178.62 tons of coal were produced, the output rose in 1909-10 to 273,354.04 tons.

At Hungshan there are two principal shafts for rich and poor coal and one emergency shaft; one coal washer for rich coal and one for poor; one coal separator with carriage; one large repair shop; and one electric shop. In 1906-7 the mines produced 14,646.05 tons and in 1913 a total of 414,000 tons. About 30 Europeans and 5,400 Chinese were employed at Hungshan. During 1913 the net earnings from the mines were Marks 1,147,363.69 equivalent at an average exchange of two marks per dollar to $573,683,30. During the first seven months of 1914 there was an increase in the net earnings of $140,000; estimated for twelve months to be $340,000, giving a total of $813,033 30.

The ascertained iron ore deposits at Chinlingchen were estimated to total 49,100,000 tons, more than 20,000,000 of which lies in such a position that it can be worked easily and cheaply. In addition to this it is estimated that another 30,000,000 tons of ore are available. To develop this deposit Germans decided to erect works at Tsangkou with a preliminary two ovens with a daily output each of 139-150 tons, and it was expected that mining would begin in 1915. The property consists of several mines,

such as Tieshan, Tanshan, Yuepaoshan, Szepaoshan, Hurnwangshan, etc. and immediately after occupation of the territory the Japanese began investigating the deposits. The Government of Tsingtao decided to work the property itself and secured Yen 2,000,000 to begin operations. Railways were put under construction to connect the mines with the main line and it was expected to turn out 50,000 tons of ore before the end of 1918. Iron is one of the natural products chiefly required by Japan, so it can be taken for granted that the Shantung deposits will be worked the limit now that title to them has been definitely given to her. Cooking coal can be found at no great distance, but the best coal in the province is located near Yihsien, where 60,000 tons annually is being coked by the Chung Hsin Mining Company, which was started in 1880. The Company is purely Chinese and operates eight shafts. The newest shaft equipped with foreign machinery was expected to produce 2,000 tons per day. The Tientsin-Pukow Railway has a branch line to the mines and takes for its own use some 60,000 tons of coal per year. The Company claims a daily output of 4,000 tons. A field of coal at Ichow is said to be the most extensive in the province. Both of these fields will be tapped by the new railway which the Japanese propose to build from Kaomi to Huichowfu, via Ichow and Yihsien.

When the Convention was signed the Railway Company had the right to mine within 30 li each side of any railway it built, but when the agreement was signed for the construction of the two new lines above mentioned this right was modified, and certain areas surveyed were relinquished, notably at Paoshan and Tzuchuan. The mines at Fangtze and Hungshan as well as the Chinlingchen were owned by the Shantung Mining Company (the Schantung-Berghau-Gesellschaft) but on March 13,

1913, this company was liquidated and the concessions were transferred to the Shantung Railway Comapany (the Schantung-Eisenbahn Gesellschaft) against compensation of Marks 5,400,000 to be covered by new share, which continued to operate them until the occupation of the territory by Japan. This Company intends to try and secure compensation for their losses both of property and earnings. They estimated the net revenue losses for 1914 from both railway and mines to be $12,000 per day.

The importance of the natural wealth of Shantung as well as the great advantages of Tsingtao as a commerical port and a site for industrial expansion is fully appreciated by the Japanese. Between the date of occupation and the end of 1918 numerous factories were opened, 17 being placed in operation and the eighteen months ended December 31, 1918. The inducements offered for the establishment of factories were published, and no doubt these will be increased by the Japanese now that the Peace Conference decision has been so favorable to Japan.

The Japanese paper "Chuywai Shogyu Shimpis" published one interesting article specially written by the Japanese Civil Governor of Tsingtao In this article the writer shows himself to be possessed of vision, for he prophesies a time when the products of even Tibet and other far distant regions will come over railways to the port for shipment abroad. He points out rightly enough that the port holds behind it not only the rich resources of Shantung but also the products of Shansi, Honan, Shensi, and other provinces where coal and other products are plentiful. Clearly it is the aim of Japan to make Tsingtao a great and valuable shipping centre. Already they aim at making Kobe the transhipping point for tans-Pacific cargoes. That port has been developed to berth the

largest liners at piers and there cargoes for Chinese will be transhipped, if plans develop successfully, and be conveyed on Japanese bottoms, to South China, to Shanghai, to Tsingtao, to Tientsin, to Dairen, and to Korean ports.

With an extension of the Shantung railway to the Peking-Hankow line and beyond into Shansi the Japanese will tap one of China's wealthiest regions, while they will make supreme efforts to attract freight from the lines junctioning at Hsuchowfu when the projected line is built to that place. A glance at the map will indicate the value of the railway system which the Japanese have the opportunity now to develop. Already they have surveyed the project lines in Shantung Province and have even had surveyors making a reconnaissance as far west as Sinanfu, if reports are correct. An extension of the projected line to Shuntehfu westwards will take them into the great iron and coal fields of Shansi and it is iron that Japan is most urgently needing for her industrial development and for purposes of a military nature. With a well devised system of railways and traffic inducements Japan can unquestionably attract to Tsingtao produce from an extensive hinterland blessed with a wealth of undeveloped resources.

If her plans mature uninterruptedly with regard to the direction of shipping from her own ports Tsingtao will become the most important port in North China. Shanghai at present holds that distinction, but unless steps are taken that port capable of taking the large trans-Pacific liners which are bound to be put into service in the future it will be found that big liners will regard Shanghai as but a port of call for passengers, while cargo will be mostly picked up at Kobe, where it will be carried by small

steamers able to navigate the river at Shanghai. Greatness as a shipping centre is very likely to depart from Shanghai as a port of transhipment in favor of Kobe, if foresight is not used by the Shanghai people. At present the harbor works at Kobe are designed for big things in the future, and the inducements that can be offered by that port are that cargo landed on its wharves can be immediately despatched anywhere to Korea, Manchuria, North China and Central China by steamers which can navigate any of the available rivers in China now shut to ocean-going liners.

Japan has done splendid work in developing the harbor at Dalny and that port is now doing an increasing business. At Tsingtao she has docking accommodation for at least 2 steamers of over 300 feet in length with a low-tide depth of water of 33 feet alongside the wharves. Above all she will be able to provide more accommodation for the biggest vessels if such is required. Credit must be given to Japan for the enterprise she displays in the development of communications. She has in recent years exhibited remarkable acumen in the expansion of her mercantile marine, in the increase of her facilities for ship-building and docking, and above all in the preparation of harbors for the handling of intensely developed trade. China has made no move in this direction at all, and the future will surely show that Japan, provided she acts with sagacity, will hold the first place as a maritime peoples in the Pacific and will not be far behind any others in the parts of the western world where shipping has advanced to the highest point of efficiency. With control of transhipments at Kobe for ports in North and Central China she can be counted upon to advance with giant stride, and no one can blame her for developing her possessions to enable her to become premier in this

direction. Certainly no one will begrudge her the position she has worked herself into if she but plays the game. Her future solely depends upon her actions in this direction. If the open door policy remains a dead letter with her then she will incur justifiable and certain enmity. On the other hand if she makes of it a real and tangible thing then she will be able to reap the benefit of her enterprise to the full. The question is whether she will be big enough, now that she has a substantial hold in Shantung as in Mandchuria and Inner Mongolia, to say nothing of Fukien, to demonstrate that she knows what playing the game really is. The accusations made against her with regard to Mandchuria can be wiped out at a stroke of the pen. An order, effectively enforced, removing discriminations and penalizing officials guilty of action calculated to close the door to equal commercial rights is all that is required.

But even if Japan does not do that she at least now has a chance that is unique to demonstrate handsomely that the Lansing-Isbii Agreement, (1) made as recently as November 2, 1917, is no more a "scrap of paper." That Agreement in part made the following significant stipulation:

"The Government of the United States and Japan deny that they have any purpose to infringe in any the independence or territorial integrity of China, and they declare, furthermore, that they always adhereto the principle of the so-called open door, or equal opportunity for commerce and industry in China. "Moreover, they mutually declare that are opposed "to the acquisition by any Government of any special right or privileges" that would affect the

(1) See Appendix.

independence or territorial integrity of China, " or that would deny to the subjects or citizens of any country the full enjoyment of equal opportunity in the commerce and industry of China."

China's Entrance In The War.

Japan having secured what she needed for her domination in China, her opposition to China's entrance in the war come to an end.

Although driven out of Kiao-Chow in November 1914, without means of communications with the Fatherland the Germans pushed on their intrigues. Uunder the control of Admiral von Hintze, the German Minister at Peking, they were able to check the Allies enterprises as well as to deceive the Chinese people. The German Legation itself worked out the most audacious plans against the Allies. It financed Chinese papers which were fascinated by the German mark; it provided agitators with necessary subsidies for plotting against China's security and the Allies interests.

The Germman Military attache killed himself in his attempt for destroying the Transiberian Railway. German agents were employed in order to corrupt the Chinese officials and to teutonise the national opinion. Papers devoted to the teutonic cause declared that the Allied force could not defeat the German armies. Even in the entourage of Yuan Shi-Kai the German propagandists were able to impose their views. And it was probably that they suggested to Yuan to make himself emperor.

The United States of America interfered "de concert" with the

Entente Powers in order to maintain the *statu quo* in the Far-East and to save the republican regime.

Japan was not satisfied with what she had already secured out of the Twenty-one demands joined the United States and the Entente Powers.

Whilst on Feb. 1917, the rupture was an accomplished fact, these powers conjointly acted more directly. It is to be noted that China was the first Asiatic country to follow the Allies' suggestions. Dr. Wu Ting-fang, a Cantonese, Foreign Minister at Peking at that time, informed the White—House that China answer to Wilson's appeal to neutrals.

On March 12, 1917 China severed diplomatic relations with Germany.

Passports were immediately handed to German Representatives, special measures were taken regarding the German ships interned in Chinese waters as well as the Tientsin and Hankow Germans Concessions, the banks factories, firms, clubs, papers etc., etc. Before adopting such important decision China have had to secure Japan's assent. But the Germans were not interned yet. President Li Yuan-hung was showing an incomprehensible hesitation while the Kuo-Min-tang and the Southern leaders were openely opposed at that time, not only to the severance of diplomatic relations, but especially against the participation in the war. As political dissensions appeared irreconciliable, the imperialist general Chang-hsun attempted to restore the Mandchu Dynasty. However the imperialist forces were unable to sustain the restoration's movment and so they were disarmed.

Having secured Japan's assent China declared war against

Germany and Austria-Hungary.

From the official documents relating to the war (for the year 1917) issued by the Peking Wai-Chao-Pu (Chinese Foreign Office) there is an admirable analytical table of contents to facilitate one's research among the 190 documents consecutively numbered and the whole reproduction ought to have a prominent place in the library of everyone.

The Chinese Government has issued a White Book consisting of English translations of official documents to the war. It begins with a Note dated January 1919, from the German Minister of Foreign Affairs at Berlin to the Chinese Minister complaining lengthily and bitterly of the naval blockade and ending with the statement that Germany must remove the restrictions on naval warfare, after which "all veasels will be attacked by all available weapons without further notice."

China in Notes to the German and Austro-Hungarian Ministers at Peking on February 9, 1917, protested against unrestricted submarine warfare, and on the 14th, announced the severance of diplomatic relations with Germany and Austria-Hungary. One Note contains information of Germany's threat not to permit the Chinese Minister, Dr. W. W. Yen, to leave Germany unless German Officials in China were given unlimited time, by the Allies, to reach their homeland. China's numerous protests against the Chinese Minister being kept in Germany as a hostage were of no avail until officials of the Central Powers had reached their steamers. Dr. Yen eventually reports thankfully of his arrival in Denmark.

Relation With Neutrals.

The Dutch Minister was entrusted with the protection of Germans and Austro-Hungarians on March 15, 1917. Sweden and Denmark undertook to protect Chinese citizens in Belgium and Germany and Austria-Hungary repectively. A report from Mr. Shen, Chinese Minister at Vienna, dated September 15, says he had not been interfered with by the Austro-Hungarian Authorities, but does not explain his delay in departure from that country. On March 31, the Chinese Minister of Foreign Affairs in a note to the Dutch Minister agrees that "in spite of international law, which does not permit the delegation to another state of the right of consular jurisdiction growing out of China-German treaties, all cases concerning German subjects, civil or criminal, which have in the past been tried and adjudicated by the German Consuls functioning in China, shall hereafter be tried and adjudicated by the Netherlands Consul functioning in China, with the exception, however, of those criminal cases provided for in the Chinese criminal code, which shall be tried and adjudicated by the Chinese tribunals."

Then follows a long list of offences formulated by the Chinese Government with the addition the offences other than the above that "affect the peace and order of China . . . shall in case of necessity be tried . . by a Chinese Law Court."

On April 17, 1917, the Dutch Minister sent a Note to the Wai-Chiao-Pu desiring to know "definitely that during the period of the war the Chinese Government will neither obstruct the German residents in China in carrying on their occupation, nor intern them nor compel them to leave China,"

This astonishing Note goes on to say; "I beg, however, to request you to be so good as to give me a reply on the matter in difinite terms, so that I may communicate same to the German Government and in that way procure for the Chinese who so desire, the opportunity to leave Germany."

On April 11, 1917, the Dutch Minister forwarded a Note to China saying, with regard to the trial of Germans in criminal cases: "I have the honour to call your Excellency's attention to the fact that according to the recognized rule of International Law, treaties entered into between two countries cannot in any way be affected by the severance of the existing diplomatic relations. The promulgation of such regulations in violation of the existing treaties merely in virtue of the severance of diplomttic relations is, therefore, irregular and their validity cannot be admitted. It is to be observed that jurisdiction over the subjects of treaty countries has been already regulated by the treaties. Moreover the text of the China-German Treaty clearly points out that if any German subject residing in China is suspected of being guilty of any crime he should be tried according to the laws and regulations of Germany. Therefore I consider it my duty to protest in advance in the most solemn and energertic fashion against any attempt to enforce them."

Hostages.

To this Note China replied that the attitude of the Chinese Governments towards German residents and their property in China "in these matters will be in strict accordance with International Law. . . . But if the German Government desires to know first how China will treat the German residents in China, before it will allow Chinese residents to leave Germany, it is tantamount to treating them as hostages against which

the Chiness Government feels constrained to lodge a strong protest."

On April 30, the Dutch Minister protested against "regulations concerning the protection of Germans leaving the country," and regulations "concerning the protection of German merchants and missionaries residing in China" many articles of the said regulations being inconsistent with the treaty provisions, "and goes on to say regarding Merchants and Missionaries."

"But it came to my knowledge that, in certain foreign newspapers published in China,—papers which manifestly treat lightly the importance and respect which the Chinese Government attaches to international law as well as to the treaties concluded by China—the aforesaid regulation was constructed as if the German subjects were deprived of the rights guarantee to them by the treaties. Even the French Consul-General at Shanghai has adopted this erroneous interpretation as a pretext, notwithstanding the rights and sovereign of China over the territory of the French Concession in that city, in order to take divers measures against the Germans in contravention of treaty stipulations."

Regarding Expulsions.

In a Note dated May 12, 1917, the Netherlands Minister asks for a special statement "that the Chinese Government has no intention to expel the German subjects in China or to intern them", and on May 26, he refers to "the actions of the French Consul at that Port (Hankow) affecting German persons and property in violation of treaty provisions".

Declaration of War.

The Wai-Chiao-Pu on August 22, notified the Netherlands Minister

that a state of War existed between China and Germany and China and Austria-Hungary and that "these treaties have been terminated by the war. Therefore my Government has drawn up the said regulations in definite terms". On August 28, the Wai-Chiao-Pu notified the Netherlands Minister that "the Chinese authorities in various localities have taken possession of the main and branch offices of the Deutsche Asiatische Bank and have also taken over the monies and evidences of value deposited therein."

The Netherlands Minister on September 4, sent a Note to China saying: "On behalf of the Austro-Hungarian Government he desired to lodge a protest in advance against any actions inconsistent with the principles of international law.....The Chinese Government will be held answerable for all losses which may result from such actions" and in a Note dated September 10, referring to the seizure of the Deutsche Asiatische Bank, he concludes:

Deutsche-Asiatische Bank.

"The Chinese Government will be held responsible for whatever damages and expenditures the said bank may sustain and incur as a result of the action complained of". On September 17, the Netherlands Minister forward a Note regretting "that Chinese officials had several times transgressed the law of nations" (by seizing German and Austro-Hungarian ships). He requested a "repudiation of the said illegal seizures" and contended that China "is responsible for all losses that may be suffered." On October 31 1917, he called the attention of the Chinese Minister of Foreign Affairs to the fact ". . . the Chinese Government has not handed any funds to the Deutsche Asiatische Bank which should

be disbursed to the bondholders as interest accrued from the following loans, to wit, the Chinese Government five per cent, sterling loan", etc. etc. The money ought to be in Berlin at stipulated times in order to ensure the payment of the coupons falling due and to preserve impaired the credit of China.

On October 6, 1917, the Netherlands Minister protested against the matter "of one Siegel, a German subject, who had been confined for two months merely on the order of the Ministry of War."

In further connexion with the liquidation of the German bank the Netherlands Minister in the Note dated November 6, 1917, concluded by saying:

"If the Chinese Government has actually commenced to liquidate this private business it has incurred a very grave risk, not only because it is a serious violation of international law but also, I have just received a telegram from German Government that it will hold the Chinese Government strictly responsible for all the losses which the Deutsche-Asiatische Bank and other business of German subjects in China may suffer on account of the action taken by the Chinese Government.

The White Book not in-appropriately concludes with a Note from the Netherlands Minister, dated November 26, 1917, containing a further and equally strong communication from the German Government, which ends with the assertion that the "German Government reserves the right to determine upon appropriate action by way of retaliation in future."

How did China break with Germany?

The Hon. Wu Chieng-Lien, Speaker of the House of Representatives,

(which was dissolved by Yuan Shi-Kai in November 1913 but convocated after the dictator's death), who was appointed with the Hon. C. T. Wang, Vice-Speaker of the Senate, to discuss what attitude would be conform to the situation, give the following account of the meeting helded for this purpose.

"It was on the 2nd of February 1917, a cablegram reached Peking announcing that the United States of America severed her diplomatic relations which Germany. In that very night, the officers of the Yi-Yu Sha, a democratic party, held a meeting in which an important resolution was passed that China should follow the step taken by the United States. Consequently a committee including C. T. Wang, Chang Chi, Chu Fu-Cheng and myself were appointed to interview President Li Yuan-hung and Tuan Chi-jui on the matter, and the American Minister was also consulted with. On the following day, the fourth of February, a general meeting of the party was called and in which the resolution passed in the officers' meeting was duly confirmed When interviewed on the 5th. Tuan Chi-jui (1) was still hesitating over the question. On the 7th night, Liang Chi-chao (2) arrived at Peking and had a secret conference with Tuan Chi-jui and in that conference Liang advised him that the declaration of war on Germany offered a very good pretext for concluding foreign loans to be used for strengthening his military position by crushing the Democratic Party. Taking this advice, Tuan held a cabinet meeting on the 8th, and a warning to Germany was officially given out on the 9th. Not being aware of Tuan's treacherous

(1)—Chinese Premier at that time

(2)—Famous Chinese scholar, State Minister at that time.

act, but, on the other hand fearing that the Tuchuns would raise objection on the matter, I was entrusted the important mission to approach the Tuchuns at Nanking and Hsu-Chow in order to convince them of the Government's decision. Arriving at Nanking on the 11th, I had two lengthy interviews with Feng Kuo-chang before I could get him convinced, and arriving at Hsu-Chow on the 15th, I talked with Chang Hsun for three consecutive hours before he approved of the matter. As our warning to Germany did not bring result, China immediately severed her diplomatic relations with Germany. However, Tuan's devilish scheme was disclosed not long after China had severed her diplomatic relations with Germany, and then indignation was roused among the Democrat ranks. When informed that if Germany persisted on her submarine warfare in spite of China's warning, then war must be declared against her, and in that case every preparation for war must be made in advance, Tuan replied that China was too weak to take up actual warfare; even a war be declared against Germany, no active participation was possible. Tuan's treacherous intention was therefore quite clear even by his own words. Seeing that Tuan Chi-jui was not to be relied upon, we had brought the matter before the American Minister through C. T. Wang, and I also explained the same to some influential Japanese newspaper correspondents in Peking at a banquet specially arranged for the declaration of war against Germany was introduced in the House of of Representatives and while it was just under discussion a mob styled as "the Citizens' Union" was surrounding the Assembly Building demanding for the immediate passage of the bill. But it must be pointed out that this mob was instigated by Tuan Chi-jui. The object for his so planning was to intimidate the M Ps. thereby preventing them from disclosing his dirty

tricks. However, the House had not fallen victim of Tuan's scheme but on the other hand refused to entertain the bill and returned it to the government. It was on this account that Tuan Chi-jui dissolved the Parliament by force. But Parliament was really in favour of declaring war against Germany, as in fact it first raised the question, so when it reconvened in Canton, last year the declaration of war against Germany was unanimously passed. As it is an open secret now, Tuan Chi-jui was only taking the declaration of war as a pretext for self aggrandizement. For what has he done as head of the War Participation Bureau with the great amount of foreign loans? In the presence of the Allied citizens, I see it a fitting occasion to announce the truth in connection with China's declaration of war on Germany, and I believe that I am in this way doing justice to the people of the Chinese nation. I believe that the Allied Powers, who for the sake of humanity has already crushed German militarism, will no doubt lend us helping hand in our present struggle for democracy against the military cliques."

"The people of China, added the Hon. Wu Chieng-Lien, regret that ever since our declaration of war on Germany, no active participation in the war had been effected by China. It must be pointed out, however, that it is not the fault of the nation, as the only man to blame is the Chinese Prime Minister, Tuan Chi-jui, whom the Peking government appointed as head of the War Participation Bureau."

Tuan Chi-jui was the right hand of Yuan Shi-Kai when the latter attempted the restoration of the imperial regime. His influence over the northern militarits is powerful while the Tuchun (military governors) stationed at the Yangtze Valley are supporters of his drastic

methods. After the disappearance of Yuan Shi-Kai, he became the real ruler in China, President Li Yuan-hung as well as Feng Kuo-chang and Hsu Shi-chang, his successors at Peking, were merely puppets in his hands. It is perfectly comprehensible that Japan concerted with him for the realisation of her aims in China.

Tuan Chi-jui himself is a puppet in Japanese hands. Tuan has been able to maintain his power only through loans received from Tokyo.

Tuan, as head of the War Participation Bureau, contributed to the realisation of the Japanese aims in China and was able to oppose the republican movement.

The War Participation Bureau established for foreign and not for home consumption as it is a preparation against foreign and not home troops. The duties of this Bureau were well defined and should not be exceeded by Tuan Chi-jui. As its name implies the Bureau was intented to participate in the European war against Germany and her accomplices. Not only has the Bureau failed to despatch any troops to Europe, although it has made great bluster of doing so, but as far as we know it has not made any preparation against invasion of our territory in Siberia. The power of this Bureau headed by Tuan Chi-jui was pratically unlimited as the despatch and movement of troops were under the orders of the Bureau.

The War Participation Bureau organised the National Defense Army. This new army, for which the Japanese are reported to have been supplying money, ammunition and officers, was composed of three divisions and four mixed brigades—totalling about 50,000 men. It was claimed that $13,000,000 worth of ammunition was

received for the use of this new army, in fulfillment of a private agreement between Tuan Chi-jui, head of the War Participation Bureau, and the Japanese. It was also reported that Baron Sakatani will be Chief auditor of accounts and that General Aoki with a staff of generals and subordinate officers will take up the organisation of the "National Defense Army." Indeed it would appear ridiculous to think even that a Chinese army might be used for the Japanese subjection of China, but facts reported as well as current events lend plausibility to such an idea.

Having been successful in their opposition against the Militarists who after confiscating the Government at Peking endeavoured to dominate the country, and having formed an independant Federation of the South-Western provinces, so the National Defense Army was principally employed against these opponents. The War Participation Bureau devoted all its energy and strength to foment dissensions in the South-Western provinces and thus to bring about a calamitous state of affairs. Plan was formulated by this Bureau for the destruction of the said provinces. The powers of this Bureau were always exercised outside the sphere of its primary purpose. There was not a branch of importance in which this Bureau did not put its finger into, for instance, the army, the gendarmerie, and other military offices, where all the officers receive their instructions from the Bureau. Great indeed were the powers of the Bureau! By the magic power of the two words "War Participation," there is nothing the Bureau cannot execute.

The danger of so powerful a Bureau was so evident, its authority being higher than the Peking Government itself, that its suppression must

be decided. Suppression in the Northern side meaning change of name, i.e., the War Participation Bureau changed its name. The National Defense Army was enroled out of the Northern Army but remained under the supervision of Tuan Chi-jui.

Before reviewing the real participation of China in the war, we have to investigate the attitude of the Independent Federation of the South-Western provinces regarding the war.

Following the example of the Peking Government, the Government of the Federation called an extraordinary session of the National Assembly, [The only one legally elected and constitutionally existing] at Canton. Unnanimously the Assembly passed resolutions " recognizing the existence of a state of war between China and Germany and Austria-Hungary ". These resolutions were embodied in a proclamation of the Generalissimo and duly promulgated September 26, 1917. (1) Therefore, both the Government at Peking and the Constitutionalists have committed the country to war.

What was the real participation of China in the war ?

Although it is true that China has not render any valuable military assistance, her actual participation in some other way could not be denied.

China's participation in the war was discussed and fixed by the Allies. It is not an unveiling secret by saying that this participation should have been greater if the Allies asked for such greater participation.

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(1).—See Appendix.

The Entente Powers asked China to send to Europe workers of any kind. And China sent these laborers whose work has been highly appreciated.

Has not the presence of over hundred thousands of these workers in the Entente countries liberated an equal number of soldiers from the war factories which soldiers contributed to the German defeat?

But it is in China that the greater support was given to the Entente Powers as well as to the other Allied and Associated Powers. The decision taken up by the Peking Government and the Government of the South-Western Provinces Federation, to intern the Germans and their Allies' subjects and seize their properties was of the greatest importance. That was naturally to be done as a logical consequence of the state of war existing. Quite true, but then how to explain Japan's attitude who afforded a perfect liberty to German subjects residing within her territory. Were not the German banks and firms going on business long after Japan's declaration of war on Germany? If China acted according to Japan's proceeding such attitude from her part might have been excusable.

Thanks to this decision Germany's economic position was crushed thus affording the greatest opportunities to the Allied and Associated Powers for their economical expansion after the war. Those who positively know what was the importance of the German share in the international economic movement in China alone could realize the great value of such a decision.

As a matter of fact it is to be retained that China, no matter as her

participation had a military character or not was a factor in the war against Germany and that she conscienciouly played her share, which share was discussed and fixed by the Allies themselves.

Was the participation of each one of the Allied and Associated Powers involved in the war taken as "directive" for advantages or rights to be recovered? The preponderant position of Japan at the Peace Conference is illustrating the case that importance of such a high position was not calculated according to the participation in the war. For the present point of view it is to be noted that among the Powers who were seated at the Peace Conference it was not those having suffered much who were preponderant.

China and Japan were Allies to the American and Western countries in the war.

The Chinese workers in France did more toward winning the war than the Japanese did.

There was an army of these workers in France, releasing fighters.

There were no Japanese fighters or workers anywhere near a field of operation.

It is only fair to say that China did more for the Allies then the Japanese did for the Allies.

German Rights, Titles and Privileges in Kiao-Chow and the Shantung Province and Japanese Covetousness

The value of the German rights, titles and privileges have been previously described. We are now reviewing how the Japanese proceeded to get them for herself.

As it will be remembered the Japanese when landing their troops without any reasonable excuse openly violated the neutrality of China. The disembarkment of Japanese troops within the limits of the Kiao-Chow leased territory though possible and safe, as it has been proved by the landing of English contingent, was not in accord with Japan's scheme for an ulterior occupation of Kiao-Chow. China's protest regarding this violation was exploited for the presentation of the Twenty-one demands to the Peking Government. Japan's attitude at that time revealed that she was determined to resort even to war if the Peking Government persisted in her protest

Japanese claimed that they suffered much in their campaign against the Germans at Kiao-Chow. In fact, the troops landed outside the leased territory of Kiao-Chow totalled 30,000 soldiers including the eighteenth division from Kurume (Kiu Shiu island), commanded by Lieutenant-General Kano, one contingent from Port-Arthur, one part of the Omura's brigade and the heavy Artillery Corps of the Navy. Three first squadrons of the Japanese Imperial Fleet were sent against Tsingtao. One English squadron under Admiral Jerome cooperated to the attack. Beginning on September 2nd, the operations lasted until November 7 at 7.50 p m. The Japanese losses were :—

NAVY :	the crew of the "Takachiho"—280
1 Cruiser ("Takachiho")	ARMY :
1 destroyer	12 officers killed
3 mine-draggers	40 wounded
320 wounded or killed including	1,472 soldiers killed or wounded

The English lost were; killed 3, wounded 59. The German forces numbered at the time of the surrender of Kiao-Chow: 222 officers and 4,426 non-commissioned officers and soldiers. In regard to the great importance of Tsingtao as well as the number of troops employed, the Japanese loss were not so serious at it was said.

There is a question which has been raised sometines ago. Were the Allied troops stationed in the Far-East, in the Pacific and in other parts of Asia, sufficient for undertaking the campaign aganist Kiao-Chow? Military experts unanimously answer in the affirmative. That is not with the intention to lessen the glory nor the sacrifices claimed by the Dai Nippon, but only for the object to show that the Japanese were not the only one able take Kiao-Chow

The Japanese being victorious established themselves not only within the strict limits of the leased territory but also along the railroads which they seized and also stationed troops at Tsinanfu, the capital of the Shantung province. Military and civil officials were appointed to administer the leased territory as it was merely a Japanese colony. That is the determined Japanese action regarding to occupy Kiao-Chow permanently.

The Twenty-one demands were conceived for facilitating the realisation of the Japanese occupation.

It was said before that at the time when Japan presented these demands they never thought that China would be an Associated Power involved in the war nor she would be represented at the Peace Conference. In fact Japanese statesmen as Viscount Ishii confessed why Japan opposed to China's entrance in the war. The opposition was maintained as long as Japan feared that this entrance could endanger her position at Kiao-Chow and in the Shantung province. At last the opposition came to an end when secret treaties with the Entente Powers and Italy gave assurances to Japan that they would support her claims for hese two places at the Peace Conference.

Kiao-Chow is an integral part of the Chinese territory. It passed into the hands of Germany by a forced lease from China as the result of the murder of two German missionaries and JAPAN HAS NO CLAIM TO IT WHATEVER.

Had China not come into the war there might have been some excuse for Japan holding it as trustee for the Allies until the Peace Conference. But the moment China came into the war and became an Ally, the insistence of Japan in holding unquestionably Chinese property instead of handing that property over to the Ally to whom it belonged exposed the political aims of Japan.

Japan had no right, no excuse to hold Kiao-Chow. She can't invoke any legal motive for doing it. It she was able to retain one integral part of Chinese territory it is only by the force of secret treaties.

The occupation of the Shantung peninsula give the power to

dominate Northern China. The Peace Conference has given it to Japan. It was taken from China by Germany. It was taken from Germany by Japan. Japan fought Germany to get Shantung defies the victorious world and keeps Shantung.

Fiume and Kiao-Chow

As Fiume, the Adriatic city, occupied by the Italian troops before the Armistice leading to the Peace, was often quoted as a similar case as Kiao-Chow, we have to demonstrate that both Fiume and Kiao-Chow are not "a similar case" in any way. The only similarity which could be invoked is that Italy secured the promise of the Entente Powers to give Fiume to her as a condition of her entrance into the war on the side of the Allies, while Japan secured the same promise by bargaining China's entrance into the war through the making secret treaties with the Entente Powers. It is to be noted that Italy is one of the signatories of the secret treaties giving Kiao-Chow to Japan.

Italy's claim for the possession of Fiume is that this city by all means of nationality and self-determination should go to Italy. It appears that Fiume has always been an Italian city and has been recognised — as such by the Austrians and the Hungarians however, to the surprise of the Italians that the Allies had made objections on this point during the Peace Conference. It was argued by the Italian Peace Delegates that Fiume have always wished and wishing to be Italian, so on the principle of self-determination it should go to Italy.

It is not the place for discussing Italy's claim, not only because such a claim is in any way similar to China's claim for Kiao-Chow but because it is not decent to compare two situations which is so different from each other and could not under any pretext or pretension be coupled.

Kiao-Chow is an integral part of China leased to Germany for a definite period. Kiao-Chow's population are exclusively Chinese whose never wished to become Japanese nor to be ruled by the autocratic Mikado's Government.

On the contrary the inhabitants of Fiume those of the Shantung Province as well as the Chambers of Commerce, the Charitable Association, the Guilds and other institutions having a legal existence, protested in the most energically possible way against the Japanese occupation. Even they menaced the Peking Government to resort to drastic measures in order to ensure their rights. The Provincial Assembly states that the natives of Shantung have been sold for nothing and that now they must fight out their own battle.

The Provincial Assembly said that as representatives of the people of Shantung its duties is to inform the Peking Government of the dangers resulting from the awakening and disappointment of the people.

Japan's Policy Towards China During The War.

It has been exposed how and why Japan opposed China's entrance into the war. Her intrigues for holding Kiao-Chow as a violation of

international law and the principles "DU DROIT DES GENS" disclosed her real political aims.

We have to examine what was her foreign policy in China.

Japanese is entirely inspired by the autocratism which is the fundamental basis of the Mikado's kingdom. It is above all essentially Asiatic. Unable to secure the assent of Yuan Shi-Kai in spite of protection and support promised to the dictator plotting the monarchical restoration, Japan, in the beginning of 1915, deliberately but with the certainty that no third power will interfere, sent her famous ultimatum to the Peking Goverment.

There is a Japanese official statement regarding the negotiations of the Twenty-one demands on this shameful month of January 1915.

"The reason why the Imperial Government opened the present negotiations with the Chinese Government is first to endeavor to dispose of the complications arising out of the war between Japan and China, and secondlly to attempt to solve those various question which are detrimental to the intimate relations of China and Japan with a view to solidifying the foundation of cordial friendship subsisting between the two countries to the end that the peace of the Far-East may be effectually and permanently preserved. With this object in view, definite proposals were presented to the Chinese Government in January of this year, and up to-day as many as twenty-five conference have been held with the Chinese Government in sincerity and frankness.

"In the course of the negotiations the Imperial Government have consistently explained the aims and objects of the proposals in a conciliatory spirit, while on the other hand the proposal of the Chinese Govern-

ment, whether important or unimportant, have been attended to without any reserve.

"It may be stated with confidence that no effort has been spared to arrive at a satisfactory and amicable settlement of those questions.

"The discussion of the entire corpus of the proposals was practically at an end at the twenty-fourth conference; that is on the 17th of the last month. The Imperial Government taking a broad view of the negotiation and in consideration of the points raised by the Chinese Government, modified the original proposals with considerable concessions and presented to the Chinese Government on the 26th of the same month the revised proposals for agreement, and at the same time it was offered that, on the acceptance of the revised proposals, the Imperial Government would, at a suitable opportunity, restore, with fair and proper conditions, to the Chinese Government the Kiao-Chow territory, in the acquisition of which the Imperial Government had made a great sacrifice.

"On the 1st of May, the Chinese Government delivered the reply to the revised proposals of the Japanese Government, which is contrary to the expectations of the Imperial Government. The Chinese Government did not give a careful consideration to the revised proposals but even with regard to the offer of the Japanese Govenment to restore Kiao-Chow to the Chinese Government the later did not manifest the least appreciation for Japan's good will and difficulties.

"From the commercial and military point of view Kiao-Chow is an important place, in the acquisition of which the Japanese Empire sacrificed much blood and money, and, after the acquisition the Empire

incurs no obligation to restore it to China. But with the object of increasing the future friendly relations of the two countries, they went to the extent of proposing its restoration, yet to her great regret, the Chinese Government did not take into consideration the good intention of Japan and manifest appreciation of her difficulties. Furthermore, the Chinese Government not only ignored the friendly feelings of the Imperial Government in offering the restoration of Kiao-Chow Bay, but also in replying to the revised proposals they even demanded its unconditional restoration; and again China demanded that Japan should bear the responsibility of paying indemnity for all the unavoidable losses and damages resulting from Japan's military operations at Kaio-Chow, and still further in connection with the territory of Kaio-Chow; China advanced other demands and declared that she has the right of participation of the future peace conference to be held between Japan and Germany. Although China is fully aware that the unconditional restoration of Kiao-Chow and Japan's responsibility of indemnification for the unavoidable losses and damages can never be tolerated by Japan yet she purposely advanced these demands and declared that this reply was final and decisive.

"Since Japan cannot tolerate such demands the settlement of the other questions however compromising it may be, would not be to her interests. The consequence is that the present reply of the Chinese Government is, on the whole, vague and meaningless.

"Furthermore, in the reply of the Chinese Government to the other proposals in the revised list of the Imperial Government, such as South Mandchuria and Eastern Inner Mongolia, where Japan particularly has

geographical, commercial, industrial and strategic relations, as recognized by all the nations, made more remarkable in consequence of the two wars in which Japan was engaged the Chinese Government overlooks these facts and does not respect Japan's position in that place. The Chinese Gorernment even freely altered those articles which the Imperial Government, in a compromising spirit, have formulated in accordance with the statement of the Chinese Representatives thereby making the Representatives an empty talk; and on seeing them conceding with the one hand and withholding with the other it is very difficult to attribute faithfulness and sincerity to the Chinese authorities.

"As regards the articles relating to the employment of advisers, the estabishment of schools, and hospitals, the supply of arms and ammunition and the establishment of arsenals and railway concessions in South China in the revised proposals they were either proposed with the proviso that the consent of the Power concerned must be obtained, or they are merely to be recorded in the minutes in accordance, with the statements of the Chinese delegates, and thus they are not in the least in conflict either with Chinese sovereignty or her treaties with the Foreign Powers, yet the Chinese Government in their reply to the proposals, alleging that these proposals are incompatible with their sovereign rights and treaties with the Foreign Powers, defeat the expectations of the Imperial Government. However in spite of such attitude of the Chinese Government, the Imperial Government, though regretting to see that there is no room for further negotiations yet warmly attached to the preservation of the peace of the Far-East, is still hoping for a satisfactory settlement in order to avoid the disturbance of the relations.

"So in spite of the circumstances which admitted no patience, they have reconsidered the feelings of the Government of their neighbouring country and, with the exception of the article relating to Fukien which is to be the subject of an exchange of notes as has already been agreed upon by the Representatives of both nations, will undertake to detach the Group V (1) from the present negotiation and discuss it separately in the future. Therefore the Chinese Government should appreciate the friendly feelings of the Imperial Government by immediately accepting without any alteration all the articles of Group, I, II, III and IV and the exchange of notes in connection with Fukien Province in Group V as contained in the revised proposals presented on the 26th of April.

"The Imperial Government hereby again offer their advise and hope that the Chinese Government, upon this advise, will give a satisfactory reply by 6 o'clock P,M. on the 9th day of May. It is hereby declared that if no satisfactory reply is received before or at the specified time, the Imperial Government will take steps they may deem necessary."

As clearly stated in the above declaration Japan's unique view in negotiating with the Peking Government was to dispose of the complications arising out of the war between Japan and China as well as to solve those various questions which are detrimental to the intimate association of China and Japan with a view to solidyfiying the foundation of a cordial friendship between the two countries to the end that the peace in the Far-East may be effectually and permrnently preserved.

As that declaration was made in order to mislead other foreign powers

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(1) See Appendix.

possible investigation, Japanese motives, views and objects were, of course, presented as inspired by the desire to preserve effectually and permanently the peace in the Far-East. It is inconceivable that the Japanese Government animated by so sincere a desire of effectual and permanent peace resorted to an ultimatum which might have fatally lead to war if the Chinese Government had rejected the Japanese Twenty-one demands. The dictator, Yuan Shi-Kai, realised, at the last moment, that Japan was only seeking the subordination of China Yuan was desirous to restore the empire but not to give China as an exchange for perhaps a mere chimerical support. As a result of the Chinese Government's declaration that China would participate in the Peace Conference, the Japanese Government decided to secure from the former its consent to the occupation of Kiao-Chow by the latter and afterwards to oppose China's entrance into the war till Japan secured the Entente Powers' assent to this occupation by means of secret treaties. On the first hand the Japanese Government protested of its goodwill while on the other hand it resorted to menace and ultimatum. Here the Japanese statesmen give the most complete assurance that their intentions are generous and noble and there they adopted some sorts of high-way policy offering to China war or subordination.

The Twenty-one demands were modified and finally they were concluded into two treaties : One regarding the grant of Kiao-Chow (1) to Japan and the other assuring to Japan the advantages she asked for in

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(1)—See Appendix

Mandchuria, (1) while Group V (2) (as a matter of fact, the Twenty-one demands were divided into five Groups) was detached and its discussion reserved for more favourable time.

Group V, as laid aside at that time, was eventually and periodically presented to the Peking Government for negotiations. Japanese diplomacy in China has always been a mixture of conciliation and menace. That perhaps was the cause of her numerous disappointments.

Further the Japanese Government urged the Peking Government to open negotiations with the view to settle the contents of Groupe V.

Here is the list of the reported demands :

"The right to construct a railway from Kaomi, in Shantung province, to Hsuchowfu, in Kiangsu province.

"The right to construct a railway from Tsinanfu, north of the Yellow River, to Shuntefu in Chihli province, junctioning with the Peking-Hankow line.

"The right to construct five other railways. One of these is from Taonan, or Jehol, to Peking The other four are not indicated.

The amount of the loan for the two first mentioned is not disclosed, but the interest is to be at the rate of 8 per cent. For the last group of railways six millions yen has already been advanced at the same rate. The terms, however, are very exacting in other respects, for the Japanese

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(1)—See Appendix

(2)—See Appendix

are to be allowed to establish civil offices in Shantung as well as in Mandchuria and Mongolia, and to be given the right to work mines in the several railway zones.

A loan of four million yen, also bearing interest at 8 per cent, is to be made for military purposes which will carry the right to train the Chinese army with Japanese officers and a further extension of the Sino-Japanese Military Convention.

A loan of two million yen for political purposes is also to be made based on the security of the wine and tobacco tax.

While the Twenty-one demands were being negotiated the Japanese consistently denied the published reports, many of which were free renderings of official documents, which was exceedingly foolish in the after light of the Japanese official communique, for, as will be remembered, this pronouncement proved that practically every statement made on the subject by most of the foreign correspondents here was substantially correct. The recollection of such procedure is not calculated to enhance confidence in Japanese denials. Undoubtedly it explained the almost universal suspicion entertained by the Chinese with regard to the Sino-Japanese Military Convention, (1) details of which have not been made public. The uneasiness created regarding the report, to which we are refering in detail is not surprising. Indeed it is natural. Yet, we are quite sure that the Japanese legation wished it to be unequivocally understood that they had no cognizance officially or unofficially of the negotiations under notice. Moreover, they took exception to the suggestion that loans had been negotiated without their knowledge and that only

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(1)—See Appendix

after the agreements had been signed they were officially informed. They emphatically declared that such a course had never been followed in any one instance.

As many such reports have later proved to be true it is essential to take notice of the reports and await development.

Nowadays the circumstances appears pratically the same as during the negotiations of the recently concluded Sino-Japanese Military Convention the fruit of which are being seen now in the Japanese Military intervention in Mandchuria and as during the negotiations for the Twenty-one demands.

The Imperial Japanese Government conferred a number of Orders and Gold Cups upon military officers "in appreciation of the services rendered in connection with the conclusion of the Sino-Japanese Military Agreement." (1) The recipients include General Tanaka, late Vice-Chief of Staff and the new Minister of War, General Aoki, Military Adviser to the Chinese government, both of whom have been granted First Orders of the Sacred Treasure.

The brutal policy of the Japanese Government towards China could but only provoke sound anti-Japanese national sentiment. Skilful Japanese statesmen or diplomats always deeply regretted the rigid foreign policy of their Government.

Baron Hayashi, formerly Japanese Minister to China, even during his term of office, often critiscized of the diplomacy of the Government under which he was serving, and therefore it is no wonder that he should be less reserved in his utterances about Japan's policy towards China at

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(1)—See Appendix.

the present time, when he holds a position (1) which demands less discretion on his part than hitherto in dealing with such questions.

Baron Hayashi attributes the present anti-Japanese commotion in China partly to selfseeking designs on the part of some Chinese politicians to assume power, and partly to the mistaken policy pursued by the Japanese Government towards China during the war. After stating with much assurance that nothing short of the appearance on the Chinese political arena of a great statesmen of real power can effect a unification of China, the ex-Japanese Minister to China goes on to say that as it is well-nigh impossible to look for the appearance of a statesman of such calibre under the present condition of China it is important that the best statesman available should be placed at the helm of State, and that Japan should render assistance to the Cabinet in the settlement of the situation. The attitude hitherto assumed by the Japanese Government, however, is open to grave censure, because there was nothing like uniformity in the policies framed by the Cabinet in the past. Every ministerial change brings about an alteration of the Chinese policy.

The Baron then takes strong exception to the mailed-fist policy adopted by the Japanese Government in all dealings with China. He asks if there is any enterprise undertaken by the Japanese in China which is really welcomed by the Chinese. The reason why they are unfavourably received by the Chinese is because Japan's rights in China are exacted through intimidation against the will of China. In spite of the open pledge she gave to the Powers that she would guarantee the peace of

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(1) Now Governor of Kuang-tung.

the East during the war, Japan went so far as to issue an ultimatum to China in the Sino-Japanese negotiations.

Japan's policy towards China in the closing days of the Terauchi Ministry was so indiscreet that Baron Hayashi called the attention of the late Viscount Motono thereto. It nevertheless resulted in impairing Japan's credit in the eyes of the Powers as well as China. It is not his intention to indulge in abusive in remarks, he says but he thinks that Japan richly deserves the hostile feelings now manifesting themselves among the Chinese against her and her people.

In conclusion, Baron Hayashi draws serious attention to the fact that Japan is now placed in the same isolated position, internationally, as she was at the time of the Theee Powers' intervention. If the Japanese are not sufficiently awake to this grim fact, and fail to make earnest efforts to improve the situation, the Sino-Japanese friendship, by which the Japanese set so much store, will be quite valueless.

Baron Hayashi after declaring that the diplomacy of Count Terauchi, the Japanese Premier (1916-1918), has imperiled the position of Japan in China urged the Japanese Government to modify such turbulent policy.

Simultaneously in its English columns, the "*Osaka Asahi*", one of the most influential newspapers in Japan, urged the need for a revision of Japan's policy towards China in the following strain:—

"Now that the resignation of the Terauchi Ministry is merely a question of days, speculation is rife as to who will succeed Count Terauchi in forming a new Administration. The orderly transmission of power not yet being established in our political system, it has to be muddled

through, before a new Government comes into being.

"But whatever be the exact nature of the coming Administration, it must be a Ministry which will not repeat, so as far as our China policy is concerned, such blunders as were committed by the Terauchi Cabinet.

"It is now idle to recapitulate how this Ministry failed in the management of our affairs with China, letting slip a unique opportunity for the furtherance of Sino-Japanese friendship and co-operation.

"The failure of Count Terauchi and his colleagues in both internal and foreign policies may be ascribed in a general way to the discrepancy existing between the political principles to which they adhere and the tendency prevailing in the outside world. In their policy toward China, they had a stronger affinity with the Northern party led by General Tuan (1) than with the Southerners.

"If Count Terauchi was consistent at all in the conduct of public affairs, we may be sure that he felt a strange contradiction in giving assistance to the militarists in the North and participating, at the same time, in a war of 'democracy' against Germany. There is or was something wrong in the way of political principle.

"The successor of Count Terauchi will have to revise the China policy of the latter to a large extent, and the political ideal he professes must needs be such as will enable his Administration to act in perfect coucert with the other Power.

"From geographical and other considerations, the initiative in affairs in China has fallen to the country, a right which will he main-

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(1)—Chinese Premier

tained, irrespective of the Cabinet change in our domestic politics. Neither will this change affect our fundamental policy of friendship and cordiality toward our Western neighbour.

"But then China does not happen to be a compact whole, in the political sense; her politicians and militarists, divided into two hostile camps, are waging internecine warfare against each other. Our public men incline to one or the other party in China, as they represent progressive or reactionary elements, as has been exemplified by the recent history of Sino-Japanese intercourse.

"The intimate relationship between Japan and China being a matter of extreme importance to both countries, the incoming Administration after the withdrawal of Count Terauchi is in duty bound to strive to place this relationship on a still firmer basis. For this, it is at least necessary that the background of political thought upon which the Ministry stands, is one that well harmonises with the unmistakable tendency in recent politics throughout the Allied world."

Japanese paper dissuaded the successor of Prime Minister Terrauchi to follow the old "fishing in muddy water" policy nor to assist the Chinese Northern militarists at the expenses of the South Western provinces.

Japanese Loans to China During the War.

There has never been a Government so indifferent to the national welfare as that of China. Those politicians who succeeded Yuan Shi-kai one after another never took the public interests into consideration. Sincere

reconstruction was never attempted by the Government. It is true that the South Western provinces has resorted to arms for the defense of the law of the land, but as a matter of fact very little has been accomplished on this line. However in spite of their weakness and their pusillanimity they have never looked upon the Japanese views with favour nor did they help Japan. This we must give credit to the South.

The Peking Government was unable to find out remedy for so deplorable a situation. In fact the military chiefs showed the most perfect incompetence regarding the reorganisation of the administration even in order to secure sufficient funds for their budget. The so-called Cabinets which followed one after another at Peking were unable to adopt adequate measures to safeguard China's rights. Without any financial program and living from hand to mouth they were compeled to borrow money from foreign countries. During the war Japan was the only country in a position to lend money to the pusillanimous and wrecked Peking Government.

If Chinese officials were partly responsible for the loans contracted from Japan, Japan herself must bear the responsibility for having financially assisted the Peking Government which has proved itself as ignorant and incapable to organise as well as to reorganise China's affairs. The financial assistance of Japanese capitalists was given to the Peking Government with the approbation of the Tokio Government, notwithstanding the official denials of the latter Government. It is a vital part, if not the most vital, of the Japanese scheme for her penetration and domination in China as to lend money to this country in exchange of

advantages which will be exploited for the success of the said scheme. In fact the indebtedness of one country can only lead to foreign control and it is a step which usually ended with interference. Has not the indebeness of Egypt caused the ruin of this beautiful land classed by the Peace Conference as a subordinate State under English protectorate? As Japanese diplomacy always copied the foreign methods it would be accurate to affirm that Japan is making China indebted to her in order to secure a powerful weapon for the future subordination of this country.

The Peking Government or rather the Military chiefs ticketed as Government recognised and supported by foreign Powers regardless of China's welfare aimed to retain the power at any cost. Repeated attempts were made by the Northern Militarists headed by Tuan Chi-jui to crush the South-Western provinces by means of force The sole duty of the Minister of Finance at Peking is to raise money, whatever its amount and the rate of interests, to finance the campaign which has been undertaken to crush the Constitutionalists as to maintain the power of the Northern Militarists. As in chaotic country where control does not exist and can't exist, the greatest portion of the money borrowed from Japan found its way into the pockets of selfish generals as well as in the possession of powerful political associations like the An-fu Club.

In its efforts to raise money for its military objects the Peking Government contracted loans amounting to yen 361,000,000—THREE HUNDRED SIXTY ONE MILLIONS.—of which yen 120,000,000 was borrowed before the outbreak of the European war and the remainder

since then. The following list is a classified table of Japan loans to the Peking Government quoted as being recognised by the Government foreign Powers.

			Yen
1.	Jan.	Mitsui Bussan Katsha to the Central Government on the Bureau of Engraving and Printing	2,000,000
2.	„	Yokohama Specie Bank's share of Group Bank advance for flood relief.....	200,000
3	„	Mitsui Bussan Kaisha to Military Governor of Chihli for military purposes.....	1,000,000
4.	„	Second advance on Second Reorganization Loan by the Yokohama Specie Bank.....	10,000,000
5.	„	Japanese Syndicate to the governor of the province of Hunan.....	2,000,000
6.	„	Yokohama Specie Bank to the Central Government for suppression of plague.....	1,000,000
7.	„	Loan to the province of Fukien for general purposes.....	,000,000
8.	„	Mitsui Bussan Kaisha to Chihli Province for purchase of yarn for spinners for flood relief.	1,000,000
9.	„	Tai-hei Kumei Syndicate to Central Government for purchase of arms.....	14,000,000
10.	„	Second loan to Bank of Communications made by Bank of Chosen, Bank of Taiwan and Industrial Bank.....	0,000,000
11.	April	Chosen Group of Banks to Telegraph Administration for extension of lines.....	20,000,000

12.	April	Loan to Fengtien province made by the Bank of Chosen	3,000,000
13.	Feb.	Shihpingkai-Chengchiatun Railway loan made by Specie Bank	2,600,000
14.	„	Nanjin Railway Loan—between Nanchang and Kiukiang	100,000
15.	April	Wireless Loan	3,000,000
16.	May	Loan to Chihli Province by the Chosen Bank	1,000,000
17.	June	Kirin-Huaining Railway Loan by Bank of Chosen, Taiwan and Industrial Bank of Japan	20,000,000
18.	„	Loan to Shensi Province	2,000,000
19.	„	Yokohama Specie Bank to Hupeh Province	1,000,000
20.	„	Okura Group to Centraal government	2,000,000
21.	July	Kirin Forestry Loan made by Industrial Bank of Japan and the Chosen Group of Banks	30,000,000
22.	„	Second reorganization loan—third advance	10,000,000
23.	„	Loan on Yu Kan Iron mines, Kiangsi province	3,000,000
24.	Sept.	Loan to Shantung Province	1,500,000
25.	Oct.	Peking Telephone Loan	5,000,000
26.	„	Mandchurian and Mongolian Railway Loan	40,000,000
27.	Nov.	Shantung Railway Loan	26,000,000
28.	„	Military Agreement Loan	20,000,000
29.	Dec.	Peking-Suiyuan Loan	4,000,000

These twenty nine loans amounted to yen 246,400,000 were contracted in 1918, most of which have been acknowledged to be authentic by the Japanese Government in a financial statement recently issued.

The Northern Militarists recognised as the *de jure* Government used

"the most valuable national assets, such as mines, railways "and industrial organisations as security for these "Japanese loans. It would not have contracted so many "loans had it not been for the encouragement from Tokio. "Japan's object in encouraging reckless borrowing by the "Northern Militarists is undoubtedly to secure control of "China's finance."

In addition of this, beginning from December 1917, the allied Banks commenced to return to China the deferred Boxer indemmity fund. After China's joining, the war on the side of the Allies, the payment of the Boxer indemnity was deferred for five years, namely $ 1,000,000 a month, or $ 12,000,000 yearly. Besides the German and the Austrian Boxer indemnities of $3,400,000 annualy was cancelled.

The Imperial Japanese Government "IN RECOGNITION OF THE SERVICES RENDERED WITH REGARD TO LOANS TO "CHINA" conferred upon nine Japanese official orders and decorations. They include Mr. Shoda, late Finance Minister, Mr. Ichiki, late Vice-Minister of Finance, Mr. Shinno, Director of the Financial Bureau in the Finance Department, and Dr. Kobayashi, Japanese Financial Agent at Peking, Mr. Shoda and Mr. Ichiki being recipients of the First Order of the Sacred Treaure. Mr. Nishara's name, it will be noted, is not included: for one thing, he is not an official.

The "Hochi" the semi-official if not official paper of the Japanese Government, to which paper statesmen, diplomats and officials of

highest ranks are contributors, gave the summary of the various loans made to China by Japan affirm that under the Terauchi Cabinet, says the Tokyo paper, the Bank of Communications loan, the Telegraph loan, the loan on account of the construction of the Kirin-Huinei railway and the forestry loan were concluded, and besides these many important economic loans were signed after repeated negotiations. The Peking Government give the Japanese Government to pledge that Japan should be first approached for any funds required for the construction of the five railways in Mandchuria and Mongolia, which had already been planned. Of these five railways, the construction of that between Szepingakai and Chengchiatun was already started with a loan from Japan, but on the remaining four railways the Peking Government has hitherto been unable to commence work. Recently, however, the Government decided to commence operations and approached the Japanese group of bankers for the necessary funds with the result that a loan contract providing for an accommodation of Yen 20,000,000 in advance has lately been concluded. The railways contemplated are between Taonanfu, between Kirin and Kaiyuan via Hailung, and between a point along the Taonanfu-Jehol railway and Hailung. The total length of these railways is over 1,000 miles, and the aggregate cost of construction is estimated at Yen 150,000,000. This capital is to be supplied by the Japanese bankers.

It was reported that the Peking Government is contemplating a big loan of yen 100,000,000. The fact that eight newspapars were closed by the Government for leaking out the conditions of this big loan is a circumstance which justifies our suspicion that they cannot bare

the light of publicity and are detrimental to the country's interest. While the nation will be hereafter forced to repay this loan and similar other loans, it is left in complete darkness as to what its conditions actually are, except what are rumoured in official circle. When the Government in Peking carries its negotiations in camera, one may take it for granted that these for bode no good for the people.

With a view to cultivating closer economic relations between Japan and China, the Japanese contemplated the establishment of a State Ironworks for China, requisite funds and experts to be supplied by Japanese naturally.

The negotiations that have been proceeding between the Peking Government and the Japanese group of bankers on this head have just been brought to a successful conclusion, and it is expected that an ironworks loan, involving about Yen 100,000,000, will be concluded between the parties before long.

This program when carried out will put Japan in a position for getting an "AMPLE SUPPLY OF IRON AND IRON ORE WHICH MATERIALS ARE NOT PRODUCED BY JAPAN."

Another official or semi-official paper in Tokyo, the "ASAHI" warned the Japanese officials for supplying large sums of money to Peking without taking the necessary precautions regarding the manner of its disbursement. It is imperative for the Hara Cabinet, says the "ASAHI," which has succeed to the ministry responsible for the conclusion of these loans, to see that the Chinese Government start work upon the undertakings covered by the loans in question without a moment's unnecessary delay.

"The aggregate sum of these loans, the "ASAHI" proceeds, reaches the colossal amount of least Yen 400,000,000 and now that the loan contracts have been signed, Japan has shouldered the obligation of having this money ready whenever a call is made by the Chinese Government for it."

Japan is still active in making loans to the Northern Government. She is reported to have been turning over each month $ 2,000,000 to several militarists in Peking for the training of troops nominally for defence purposes against Bolshevik invasion of China's territory on the northern border, but in reality for resuming hostilities against South in case the internal peace conference at Shanghai fails to settle political differences.

No matter what the political colours at the Japanese Cabinet may be, it is a certainty that Japan will continue to supply funds to the Northern Militarists, till the American and European Powers will interfere on Japanese financial scheme for the control of China's finance. For example, Mr. Takahashi, the Minister of Finance in the Hara Cabinet, was one of the strongest opponents against lending to foreigners. Since his assumption of office he has been a faithful and obedient follower of the advise of the Exchange Control Commission, the majority of its members are in favour of investment in foreign countries.

The result is that the policy of the new Ministry is the same as that of the Terauchi Cabinet, namely, investment in foreign countries is considered to be the means to ease exchange.

Hereafter Japan will therefore continue her investment in foreign countries chiefly in China.

As to Japanese relations with the Northern Militarists in this respect, money will be loaned at any time in accordance with the wish of Japan. The reason is that Japan has already secured the right to invest in China.

Japanese financial experts affirm that Japan is also in a position to undertake the Currency Reform Loan in two or three instalments. This loan however has not been concluded owing to the entry of the American banks in the new Consortium

It was officially announced that the Japanese Government puts restrictions on loans to be floated for China by her subjects. Such restrictions never refrained the Japanese to propose loans to the Northern Militarists, even to the provincial authorities, who are living on the policy of securing of loans from Japan.

The utter callousness amounting no less than high treason, in which the Peking Government has mortgaged the country's mineral and industrial resources, and parted with civil and military functions in Shangtung, Mandchuria and Inner Mongolia, where Japan has already defined a sphere of influence; the snapping of the fingers by the Japanese financiers to the repeated protests of the National Assembly and the Constitutionalists against these illegal and iniquitous loans,—all point in bold scarlet letters a grave warning: DANGER AHEAD.

What will be the consequences of these mad and unscrupulous loans? Whether will they lead the nation to bankruptcy or a future world-war in the Extreme Orient? These are questions that confront the thoughtful student at the present moment, the importance of which overshadows all other political questions. For just as the Balkans supplied the spark that exploded the bombshell to the European war, so will China—a bankrupt

and dependent China—become the explosive forces that will set the world again into a still more bloody strife.

It is not our purpose to create alarm, but what students of politics will read complacently the following figures of recent Japanese loans without entertaining serious misgivings as to his country's future and the world's peace?

The wicked and reckless manner in which the Peking Government is borrowing from Japanese financiers will soon plunge the country into a hopeless tangle, and we must not be surprised if some days in the near future Japan, on the plea of protecting her interests and those of her nationals, take over the financial administration of this country and incidentally annex the civil administration as well. For although the Japanese Legation in Peking professes to ignore the financial manipulations of Mr. Nishihara, and company, yet why do these loan negotiations embrace conditions of civil and military administrations under Japanese? Are they meant to be a wedge to be driven into the territorial rights of China?

The critical financial position of China was taken into consideration by the Allied Powers seated at the Peace Conference, and it was decided to form an international banking corporation in order to supply China with necessary money for her financial salvation. It is beyond doubt that this Corporation could undertake such salvation if its policy is sound. However, if it were to lend money to the Peking Government, i. e., the Military and Unconstitutional Government, for their military purpose, can they save China?

Regarding such an inportant question we think it would be good as

to reprint here the statement made by the Diplomatic Commission of the Constitutionalist Government on February 27, 1919.

As this statement deals with the Japanese probable participation to the said international banking corporation, it would efficientely contribute to give an accurate idea of its future aetion in China as well as in the Far-East.

"China and the International Financiai Consortium"

"The Peace Treaty is not yet signed but the Foreign Powers are concerting for an extensive control of China through a so-called "International" Finance Consortium. These governments are required as habitually to back their respective capitalists on account of their political interests. Therefore through diplomacy the future financial servitude of China is now being prepared. It is more probable that the scheme for this servitude had long been secretly planned by the capitalists themselves.

"Time remains unchanged. The Great War seems to have brought no amelioration in international finance. As before the hostilities the irresistible finance takes the diplomacy in tow. But it time remains unchanged the respective position of nations and group of nations is modified. The loser in the Great War disappeared while the victor becomes a sort of regulator of the world's evolution.

"As before the war statesmen and diplomats out-of-the-way by their altruism, slavishly obeying the financiers, acts as ordinary brokers,

"But what kind of brokers (!) Arguments used by them seems without reply. Political items as well as diplomatic situations are exploited and become factors of their success.

"Before 1911 there was no "unhealthy" competition among the bankers of various nationalities officering loans to China, but at that time the leaders were anxious to find more means of safeguarding their positions. The formation of one financial group at first named the "Four Power Group" was soon transformed into one "Six Power Group" by the inclusion of Russia and Japan. It soon changed into one "Five Power Group" through the withdrawal of the United States. This group was openly backed up by the diplomatic representatives of the powers concerned and for the first time in the history of China we saw diplomacy mixed up with finance and obeying the injunctions of the latter, At that time it was conjointly proclaimed that these powers were willing to help to place China on her feet.

"It was pretented also that only this "Five Power Group" should have the right to finance China. Of course such an attempt for monopolizing the enterprise to lend money to China caused more troubles. And notwithstanding the governments of the Powers concerned supported the said Group, the first big Reorganization Loan was at once at a difference.

"Strong protest raised against the preposterous terms of the "Five Power Group" and nagotiations did not lead to any tangible result. Once more the Group claimed that there was no political bearing on the demand for necessary financial guaranty. In the meantime China declared that she was anxious to obtain financial assistance but she maintained that such assistance must be sincere as well as friendly and

not based on the advantages of any sort to be extorted from China. But it was already decided by the Group to realize their aim at any cost. In spite of the protest of the liberal press of England and France, the Group with tenacity pushed on the realization of their sinister scheme for the financial control of China.

"Difficulties were being removed little by little and China was forced to admit the necessity of having foreign advisers who would have control over the national finance of China.

"The national party "Kuomingtang" positively knew that Yuan Shih-kai would use the loan for the strangulation of the democratic regime and tried the utmost possible for preventing the conclusion of the big loan which would be detrimental to China Attempts to influence bankers to refrain from signing the loan were useless and the loan for £25,000,000 was signed under almost dramatic circumstances, without reference to the Parliament which alone had the right to approve or reject the loan.

"But the "Five Power Group" do not care about "unlawfully borrowing a loan without referring it to the Parliament." This Group had previously selected Yuan Shih-kai as the only one capable and willing to favour their scheme for the financial control of China and consequently gave the money to Yuan who was at that time usurping the rights of the people.

"We don't want to retrace here the entire story of the so-called Reorganization loan. If we recall some phases of this story it is with the intention to show with what coolness the financial group, always disregarding the welfare or China while only keeping their hands on the control of China's national finance.

"The financial situation of China did not improve after the signing of the big loan of £25,000,000. Out of this amount China received only 21,000,000. Out of this £21,000.000, £12,000,000 went from the right hand of the foreigner to the left, in order to meet the gold obligations. £2,000,000 were reserved to be spent on the security of the loan, only £7,000,000 was recevied by Yuan's government. Therefore the financial situation remained as it was before the loan. Yuan Shih-kai found it hard to meet the obligations except by arranging new loans.

"The method of liberating one's self through the contracting of new loans is abusive and can't prevent bankruptcy. That was nevertheless the financial policy obstinately pursued by Yuan Shih-kai and his successors until today.

"It is beyond doubt that the Peking Government unable to reorganize anything was compelled to have recourse to a much worse policy as it is beyond doubt that financial concerns were delighted to approach the nominees of the so-called government for further loans. It is generally known that the financial concern or group has special agents at Peking close to the government there.

"The European war having forced America and the western countries involved in the struggle to mobilize their financial resources forced them also to suspend the realization of their scheme in China. Therefore Japan had a "free hand" for enforcing her financial position in this country. Supported by a powerful pro-Japanese official gang Japan advanced large sums of money to the Peking government in exchanges calculated to give preponderance to Japan.

"Such advantages and the support of England and France, as it was

announced by recent cables from London and Paris, would effectively assure to Japan the preponderance not only in China but also in the Far-East and probably in the Pacific.

"It must be remembered that Japanese statesmen always had the idea to make the Pacific one Japanese Ocean. May the American nation keep a clear view of the situation, which would inevitably result if Japan commander in the Far-East and in the Pacific.

"Peace is not yet reestablished and the foreign financiers re-appear with the immutable purpose to place China on her feet once more. The "Five Power Group" dislocatel by the war is to recognize and establish a big international banking consortium which would provide China with any kind of loan. But it appears that the negotiations for the realization of such a big concern are "not proceeding as smoothly as is here expected."

"The attitude of Japan provoked much uneasiness among the future members of the said Consortium." It is affirmed that Japan, intending to develop the preponderant position acquired in China by means of ultimatum and coercion, claims that the chairmanship of this Consortium when formed should be given to a Japanese. It is also affirmed that France will support this claim and probably England will side with Japan. As quoted from Japan papers the future Consortium declared that a "preferential right be recognized for the new Consortium to undertake all political as well as economic loans in future without any regard to the past" Japan insists that the future Consortium would recognize all privileges and rights secured from China by loans granted to her since the outbreak of this war. As Japan herself is the only power which had

made loans to China during the war, privileges and rights extorted by this country must be recognized by the Consortium.

"One private cable, dated Paris, 5th June, handed to the "Asiatic News Agency" for publication shows that Japan desires the following special privileges.

(1) South Mandchuria, Eastern Mongolia and Shantung be excluded from the financial activities of the Consortium.

(2) Japanese loans concluded previous to the formation of the Consortium may be amalgamated or pooled in accordance to the wishes of the Japanese bankers with compulsion.

(3) Consortium should not interfere with the Sino-Japanese financial undertakings, both old and new.

(4) Loans below the sum of five million dollars shall be concluded by foreign capitalists without restriction.

"If Western or American bankers involved in the Consortium would favour the Japanese "desires" it would not be impossible that these special right as above mentioned be granted to Japan. Thus this Consortium instead of helping China would be a curse to this country.

"Japan will insist for the recognition of these so-called rights; if any country declines of favour such recognition Japan as usual will probably resort to its favourite means, i.e., the threat of desertion from the Consortium. As it was reported from a reliable source the attitude of the United States can provoke a great change not only in the formation of the Consortium but also in the policy to be adopted by the same.

"The European and American bankers who insist on financing China must keep a clear sight of the political and financial situation of China at the present time.

"According to the Provisional Constitution of the Republic of China, which is the only one in force, foreign loans must be submitted and approved of by the legal Parliament. The so-called Peking Government is not the legal one although recognized and supported by the foreign Powers. The said government is, maintaining its authority through the financial and political support afforded by all the foreign Powers. It is a pity that such an attitude could have been adopted in spite of the facts which alone would justify an action to the contrary. The strange duality existing in their internal and external policy pass comprehension. In Europe the Allies and Associated Powers fought and defeated the German militarism which was a danger for the world's peace. Here the same Powers are supporting militarism and unconstitutional Power. What will be the next?

"Reasonably China can't be financially reorganized without foreign assistance. Chinese people never opposed this assistance, but what the Chinese people strongly oppose is the control of its national finance by the foreign Powers. Day by day obligations are accumulating in order to accelerate the bankruptcy so as to provoke the foreign intervention for the absolute financial control of China.

"We pertinently know that the foreigners will protest against our affirmation. But how can they explain the attitude of their Governments who provide the unconstitutional Peking Government with means to maintain its ill-assorted policy.

Great Britain and the United States are reported as firmly holding the view that there should be no loan negotiations as long as the North and South remain separate. We hope that these two Powers will persevere in such a wise view and refuse any loan to the Peking Government until trouble is settled.

It becomes evident after a sound examination of the various attitudes successively adopted towards China by the "Five Power Group" as well as the study of the aims of the new Consortium that as long as the financial group will support an unstable and unconstitutional government China can't expect any sincere and real assistance from any government."

Here is one recent declaration made by the Japanese Minister of Finance in order to correct, it is said, misunderstanding that the speech made some time ago to the Bankers' Conference on the International Banking Corporation for China, which speech provoked comments of a critical nature.

"Hitherto almost all the Powers interested in China have established their spheres of influence by means of loans. Hence the Powers wishing to extend their sphere have been endeavouring to contract loans with China. This state of affairs, however, is not beneficial to those investors who have no such ambition. The chief object of the Consortium, comprising four States, is to secure full guarantees for investors on the one hand, and on the other to protect rights and interests in China, preventing any Powers other than the members of the Consortium from contracting loans with China for any rights and interests. The reason for Japan's taking part in the Consortium is because the Government thought it advantageous both diplomatically and economically to do so.

Considering the case if Japan did not take concerted action with the other Powers are we sufficiently provided with funds to compete with the three Powers?

"The disadvantages likely to arise from non-participation in the syndicate need not be dwelt upon.

"Though various opinions are held as to the meaning of preferential rights, a definition has not yet been given. It is to be fixed at the Conference of Banking Groups at Paris. As far as I know it means the right of entering into new loans having connexion with loans already advanced, the enterprises in connexion with which are finished or are now proceeding, as for instance, special rights incidental to the extension of the existing railways. It does not mean the rights to railways to be constructed with loans already advanced. That is to say, the problems arising in future in connexion with the existing loans are of a nature to be solved according to the existing stipulations. As regards our special political situation, for instance, our special position in Manchuria under the Ishii-Lansing Agreement, such vested rights are not to be affected by the new Corsortium. On this point there is an entire understanding among the participants.

"Some people say that if the new Consortium is established, other countries having different interests from ours may stand in the way when Japan desires to invest in enterprises that are necessary in the light of the special relation between Japan and China, such as for instance, spinning and iron mining. But this fear is unwarranted, because the loans by the new Consortium are confined only to those guaranteed by the Chinese Government and the local provinces, and, therefore, individual loans will

not be obstructed. Investment is, by its nature, more profitable when it is without any Government guarantee, and sound development of enterprises can only be expected when such investments become active. In short, participation in the Consortium is to be approved of in principle, the particulars of the conditions are left for the decision of the representatives of the Powes concerned. Therefore is it not a little early to discuss the matter in a concrete way ".

China at the Peace Conference.

Japan's pretension.—Chinese hope at the Peace Conference.—Threats and pressure.—Unveiling of secret treaties.—The Conference's decision —China's refusal to sign the Treaty.

* * *

In the preceding chapters we have pointed out the war aim of Japan in the Far-East. Facts collected superabundantly proves that Japan endeavours for the subjugation of China. Japan's policy towards China during the war aimed at the transformation of China to a subordinate state under the protection of the only imperialist power which in still existing in this world. Coercion, pressure, threats have been the means generally adopted by the Okuma's, Terauchi's and Hara's Cabinets for the success of the Japanese policy, when they have been realising that China has been unwilling to accept the " Japanese Monroe doctrine.'

The Japanese leaders might have succeeded in their scheme when Yuan Shi-kai attempted to ascend the throne. Indeed every prospect was in favour of Japan's policy. But as it is previously stated the dictator Yuan rejected the Japanese proposal for an unlimited support when he

realised that China would be enslaved by Japan as the price to be paid for his enthronment. Neither the Japanese diplomats, in spite of their intrigues, were successful with Yuan's sucessors. It can't be denied that the treachery of one pro-Japanese official clique at Peking has been giving much assistance to Japan to secure a strong position in China. Although these renegades having in some how prepared the way of a probable Japanese intervention it remains doubtful, now that the war has come to end and the peace is signed that the Japanese leaders can ever succeed to push on their aggresive policy towards China.

It has been explained why the Japanese circled in their mountainous islands without natural resources enough for their economic development fixed one's choice on their neighbour who could afford to Japanese products markets as well as to supply the Japanese industries with raw materials not to be found in their own native land.

Entrusted with the mission to preserve the peace in the Far East while the Allied Powers were fighting against the powerful Germany, Japan took this as an opportunity to secure more advantages for herself. Her loan policy to the Peking unconstitutional Government is a good evident of her scheme to secure the control of China's finance.

Japan expected that the war never could end so soon.

Her statesmen was surprised by the events and the Allied troops reached the Rhine before they wondered how the Germans could have yield to the Allies. The realisation of their scheme for the subjugation of China was based on the prolongation of the war for at least one year or two.

Their view was entirely shared by almost all Japanese. One can easily get a substantial proof of what we are affirming by studying the chaotic situation of Japanese Commerce at the time. So their attempt to induce the Peking unconstitutional Government to intrust Japanese delegates to the Peace Conference with the mission of watching the Chinese interests. It may not be fair as say that Japan feared the decision of the Peace Conference, after securing by means of secret treaties the support of the Entente Powers for her claim regarding the consecration of advantages acquired in China while the Allied soldiers were sacrifying their lives in the homeric struggle for the triumph of liberty in order that small and weak countries might be free of coercion and pressure.

Before analysing the Japanese view to represent China at the Peace Conference it is necessary to recall what were the war aims of China. These aims were defined when China entered the war, but has never been so succinctly and clearly summarized as the Mr. C. T. Wang, Vice-Speaker of the Chinese Senate, afterwards Delegate to the Peace Conference, did on April 1918:—

China entered the war, declared the Mr. C. T. Wang, for:—

1. To make China a genuine republic.

2. To defend democracy against militarism.

3. To enable national questions to be decided by the will of the people in accordance with law instead of by a few possessing military power for the time being.

4. To let the Constitution and not the military order to be the supreme law of the land.

5. To respect the legally constituted National Assembly and not the unauthorized conference of military governors, as the legislative and ruling organ in the Republic of China.

As Japan superficial changes has preserved the feudal structure of the past remaining an absotute monarchy under the cloak of aristocracy, her statesmen can't decently partake such aims, which are opposed to their concept of Government.

Has the Peking Government taken into consideration the Japanese proposed to represent Chinese interests at the Peace Conference and subscribed to it? As negotiations between Tokyo and Peking were conducted in secrecy it is impossible to answer affermatively but facts connected with the Japanese proposal would not permit any statements to the negative.

In the course of the settlement of the representation of the various Powers in the first session of the Inter-Allied Conference after the armistice was so generously granted to Germany, it was decided that China would be represented at the Peace Conference. Such a representation was not in accord with the Japanese view. It would not be good prospect for Japan to have as partner, who is a victim of the Japanese policy, at the Peace Conference. It is a certainty that China would, of course, never miss so propicious an occasion for exposing what were the Japanese proceedings in the Far-East as to point out how such proceedings are opposing the Allies peaceful views. Rumors were spreading in the earliest days of the armistice saying that Japan in the first place viewed that China would be represented by the former at the Peace

Conference. The Waichaopu (1) has, however, sent cablegrams instructing the Chinese Legations at Washington, London and Paris to issue immediately denial of these reports. At the same time it was reported that Japan cabled to Paris that she has come to an understanding with China for joint action at the Peace Conference. The papers publishing the news were ordered to declare this as unfounded. On January 5, 1919, a telegram was received by the Chinese Government again reporting that the Tokyo correspondent of the London "Times" wired to his paper that the Chinese and Japanese delegates will work hand in hand at Peace Conference in France as China and Japan have made certain arrangements. The Chinese Ministers abroad were instructed to refute this news at once. All these reports however reveal one thing: Japan's intrigues to secure control of China's delegation at the Peace Conference.

Regarding the selection and the appointment of delegates to the Peace Conference, it was admitted by the Northern Militarists as well as the South-Western provinces Federation that China must be properly represented at this Conference. Both of the contending forces likewise realised that a delegation unless representative of the whole of China, will be unable to effectively serve the national interests. An arrangment suceptible to meet all the exacting requirements as well as to be acceptable by both sides without injuring the status of either was finally made. Let the Northern Militarists designate a number of delegates whose abilities and qualifications would be unquestionable, while the South-Western Federation would also nominate an equal number of qualified

(1) Chinese Foreign Office

delegates. The South-Western Federation Government being not well acquainted with international law and procedure could not understand that only Government recognized as independent state had the right to appoint representatives or delegates so it had decided to appoint its own delegates. They were appointed and given proper credentials so that they may proceed to the Conference as a united delegation. Nevertheless the South-Western Federation Government argued that there is an Article of the Provisional Constitution never which was recognized by the Northern Militarists requiring that the appointments of envoye, ministers and plenipotentiaries must be submitted to Parliament for approval. As the Parliament convened in Canton is the only legal Parliament although it is not recognized by the Northern side it was feared that the unwillingness of the part of the Peking Government not to submit the appointment of its delegates to the approval of the legal Parliament, difficulty might arise. Fortunately fear was frivolous as well as the apprehension to see any Foreign power raise a question as to the legality of these appointments.

The selection of the delegates itself caused great apprehension. The Northern Militarists was in favour of Tuan Chi-jui but for reasons which were not published, they selected Lu Tseng-tsiang, Foreign Minister, as Chief of China's Delegation. Immediately the Southern raised a strong protest which soon vanished. The Southern side elected Dr. Sun Yat-sen and Dr. Wu Ting-fang as delegate, Both of them declined the appointment, so the Mr. C. T. Wang was commissioned to go. Many others were commissioned to go to the Conference but as their work had nothing to do with the peace object, it is useless to mention their names.

One of the most interesting incidents about these nominations was that it was the Peking illegal Government who delivered credentials to Mr. C. T. Wang, who was travelling in America at the time of his nomination.

China's Delegation was headed by Lu Tseng-tsiang, Foreign Minister, with Mr. C. T. Wang, vice-speaker of the Senate convened at Canton, and Mr. V. K. Wellington Koo, Chinese Minister at Washington, and many others as advisers, secretary, etc.

The Delegates left Peking on the first days of January 1919. Lu Tseng-tsiang and his suite passed through Mukden from Peking to France via Japan and was received at the railway station by high Japanese and Chinese officials. The delegation was met at Tokyo by General Hsu Shu-chen, one of the Northern Militarists leaders and Mr. Obata.

One could but only surprised to see the Chinese Delegation travelling to France via Japan to be entertained and meet at Tokyo by Chinese Militarits and Japanese representatives.

The passing of China's Delegation at Tokyo showed the part played by Japan in order to secure control of the Delegation at the Conferance.

Lu Tseng-tsiang arrived at Tokyo on January 8, 1919 and was the guest of Mr. Tokonami, the Minister for Home Affairs. Lu Tseng-tsiang has had interviews with the Foreign Minister, Dr. Uchida, and Baron Makino, the Japanese Delegate to the Peace Conference, on the 9th.

Lu Tseng-tsiang was charged with personal letters written by the Peking President Hsu Shi-chang to be presented to the Japanese Emperor. The letters were handed to the Foreign Minister to be presented to the Japanese Emperor. Lu Tseng-tsiang left Japan on January, 10, by S. S. "Suwa Maru" in route for America.

It was reported through reliable official informations that Lu Tseng-tsiang spent two hours in conference with the Japanese Foreign Minister and it said that thay were "GOING OVER THE KIAO-CHOW QUESTION SOMEWHAT."

The Chinese papers in every province published the rumor that important official documents were lost during the travel.

But the rumor is said to be unfounded. It remains inconceivable of the travelling of China's delegation from Peking to France via Japan as well as the conference of two hours between the Japanese Foreign Minister and China's Chief Delegate. "going over the Kiao-Chow question somewhat." Having failed to exclude China from the Peace Conference Japanese statesmen suggested to the Chinese Chief Delegate to "WORK IN CLOSE CO-OPERATION WITH THE JAPANESE DELEGATES AND BE GUIDED BY THEM ON MATTERS OF ALL POLICY."

Japan had not issued any unequivocal statement denied the truth in the reports which was transmitted by Reuter's Pacific Service. It was affirmed that if China assented to such suggestions Japan would return her share in the Boxer indemnity.

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(1) Japanese Minister at Peking.

In regard to the famous Twenty-one demands, Mr. C. T. Wang said:

"We contend that they are absolutely contrary to the principles of justice and equity. They were formulated because of the state of war and if refused were to be effectuated by force. Japanese Premier Okuma justified them by declaring that Japan then had an opportunity that would not come again in a thousand years.

"What was the opportunity? Nothing but Europe's pre-occupation in war. We demand these agreements shall be abrogated and revised, abrogated where they unjustly affect China's sovereign rights and revised where we assent to their principles, as for examples the opening of Chinese ports to foreign trade, a policy has been pursued by China for twenty years.

"The Japanese demands were arranged in five groups and we were warned to preserve silence respecting them. But when something became known abroad and questions were asked, Japan gave an incomplete version to her Allies, wholly suppressing the 'Group Five,' which would have made China a mere vassal of Japan."

Asked as to whether Japan does not now intend to return Kiao-Chow, Mr. T. C. Wang said:

"Yes, they propose to eat the oyster and give us the shell. They propose to retain the kernel, the most valuable section of the Shantung peninsula, adjoining Tsingtao, including the terminus of the railroad which, with its branches, dominates the whole peninsula and takes in all Chinese railroads serving the richest areas of our country.

"If the conference accepted Japan's claims on the Shantung province, it would only make the foundation of a future war of justice, China is slow, but tenacious. She has twice been overrun in her 3,000 years of recorded history by aliens but in the end the conquerors, become the conquered."

As one important reception in Paris, Mr. V. K. Wellington Koo, made the following statement appealing to the Conference to apply the Wilson's Principles in the case of China.

"The solution of the Chinese question involves the liberation or release of China from the burden and conditions imposed on her in the interests of an aggressive imperialism and, necessarilly, in conflict with her freedom to adapt herself to the new conditions of life set up by alien contact and intercourse. Within the category of burdens is included the system of imperialistic rights, interests and privileges which Germany established in the province of Shantung in 1898, as compensation for the death of two German missionaries who were killed in the province.

"The German system is typically expressed in the leased territory of Kiao-Chow, and in the Trans-Shantung Railway, known as the Tsingtao-Tsinan Railway, besides mining and other rights in the province. Kiao-Chow consists of a piece of territory around the Kiao-Chow Bay lying off the northeastern coast of Shantung. The most valuable section of Kiao-Chow lies partly in the port of Tsingtao, which Germany developed and fortified and made the terminus of the Trans-Shantung Railway, and partly in an area adjoining Tsingtao which Japan, since her reduction of Kiao-Chow, has developed and delimitated for exclusive Japanese occupation.

" Kiao-Chow also had strategic value for Germany, who used it as a *point d'appui* in connection with her policy of political and economic penetration in Shantung. The Trans-Shantung Railway runs through the heart of Shantung, connecting that capital of the province, Chinan or Tsinan, with the port of Tsingtao. The railway dominates the entire province, and in the event of war its possession by an enemy would enable the latter not only to overrun Shantung but also the great province of Chihli, in which Peking is situated.

" This reference to Kiao-Chow and the Trans-Shantung Railway will assist you to realise the gravity of the present Japanese claim for the unconditional cession of the lease of the territory of Kiao-Chow, together with the railways and other rights possessed by Germany in respect of Shantung province, and the gravity of this claim will be further revealed to you when it is remembered that Shantung is greater in population and area than England, and as the home of Confucius it is not only packed with are historical memories, but is also sacred as the cradle of Chinese culture.

" But the Shantung claim is exceeded to meaning and seriousness by the Twenty-one demands which suddenly and without provocation, and in a manner for which there was no precedent in the history of foreign relations with China, presented to China on January 18, 1915, this formidable array of demands being submitted personally under the gravest warning of silence by the Japanese Minister to the President of the Republic.

" It is within the common knowledge of the foreign Chancelleries that an incomplete version of these demands was communicated by the Japanese

government to the other powers, the section most menacing to China being excluded from this communication and its existence even denied. Treaties, declarations and notes based on those demands China was compelled to sign on May 25, 1915, under pressure of a Japanese ultimatum edged with the threat of war.

'On May 11, 1915, the American Government cabled an identical communication to the Chinese and Japanese governments reading:

"In view of the circumstances of the negotiations which have taken place and which are now pending between the Government of China and the Government of Japan, and of the agreements which have been reached as a result thereof, the Government of the United States has the honor to notify the Government of the Chinese Republic that it cannot recognize any agreement or undertaking which has been entered into or which may be entered into between the Governments of China and Japan impairing thet treaty rights of the United States and its citizens in China, the political or territorial integrity of the Republic of China, or the international policy relative to China commonly known as the open door policy. An identical note has been transmitted to the Japanese Government.'

What was the answer of the Chinese Chief Delegate to the Japanese suggestions was not unveiled?

Even if the Chinese Chief Delegate had favourably answered to such suggestions his action would have been nil owing to the frank and energetic and opposing attitude of his colleagues, M. M. C. T. Wang and V. K. Wellington Koo.

These two Delegates worked splendidly at the Conference in order to obtain justice for China, with the greatest energy they denounced, either at the Conference or through European press, the Japanese scheme for China's subjugation and domination in the Far-East.

Here is one communication made by Mr. C. T. Weng to the Press Publishing Company in Paris.

"We have come here, declared Mr. C. T. Wang, to settle our differences with Germany along the same lines as all other powers. We want the cancellation of the treaties under which Germany unjustly enjoyed certain rights in China, reparation for damage done our property, and in addition we seek ratification by Germany of the Hague Convention of 1912, for the suppression of opium traffic, which owing to Germany's opposition has never come into operation.

" We furthermore demand the return of instruments looted by Germany in 1900 from the Imperial Observatory in Peking, which are of incalculable historic value. For us to deal with Japan over Kiao-Chow would be equivalent to France treating through America for the restoration of Alsace-Lorraine by Germany. To that China will never under any consideration consent.

" Japan took Kiao-Chow in the interests of the Allies, with the help of Great Britain. There is no question of Japan taking it unaided, for it is to be supposed that if Germany were not tied down in Europe by the Allied armies she would not have failed to send reinforcements to safeguard Kiao-Chow."

"British public opinion was also seriously perturbed by the Japanese

demarche, and found its expression in the words of a great public organ, that a scheme of this kind, if carried through, would put all China under Japanese suzerainty. Of course, it would also imperil extensive British commercial and industrial interests in China, and it would knock the bottom out of the Anglo-Japanese Treaty, which guaranteed the integrity of China, and equality of opportunity to all powers."

The Minister concluded by saying that China had wished to enter the war very early, but had been prevented by the opposition of Japan, and he described the help that China had given to the Allies. She has sent 130,000 workmen to France, and has offered to send 100,000 soldiers.

He ended, after referring to the League of Nations, with a moving reference to China's antiquity. "We were a nation long before modern Europe arose out of the ruins of old Rome. Founders of great creeds taught in our midst when tribal Europe was sacrificing to strange, unknown gods, and we had art, letters and morals before even Paris was founded."

There is still one other interesting phase of this recent clash of China and Japan that should be mentioned. Two of the chief actors in the present Far Eastern drama were also involved in the "Twenty-one demands" of 1915. When Japan was pressing these demands, the Japanese member of the legation staff in Peking that attempted most strenuously to intimidate China was Mr. Obata, who was then First Secretary of the Japanese legation. This was the reason for protests that arose in many parts of China when it became known a short time ago that Japan had now appointed him to the post of Minister to China. They knew there must be some sinister reason for this appointment at the

present time. The reason has now developed. The other actor in the drama is Mr. V. K. Wellington Koo, who was at the time of the "Twenty-one demands" a secretary in the Chinese Foreign Office at Peking. It was Dr. Koo who obtained copies of the infamous demands and carried them to the American and British legations and also to the foreign newspaper correspondents in order that the world might know of what Japan was trying to do to China. It was chiefly through his actions that the full text of the demands were not forced down China's throat in secret. It is peculiarly fitting that he should be one of China's delegates at the Peace Conference in France.

The declarations made by the Chinese Delegates at Paris can but only provoke the greatest bitter feeling in Japan official circles. Sometimes the press organs, in Tokyo go as far as to ask the Mikado Government to interfere the attitude of Chinese Delegates at the Peace Conference.

Mr. C. T. Wang and V. K. Wellington Koo in appealing to the delegates of other nations for justice and fair play, and in agreeing to President Wilson's request for placing on the Conference all secret treaties and agreements made between China and Japan since the beginning of the European war have made an excellent representation of China's case before the world tribunal and turned the attention of the powerful statesmen in the West to Asia for a brief moment.

From the reports received from Paris regarding the brilliant part played by the Chinese Delegates we know that:

On January 27, a secret session of the Big Five was held for the disposal of the German colonies. The Japanese delegates, taking advantage of

the occasion, tried to justify their proposal for the retention of Tsingtao. the Kiao-Chow and other railways in Shantung. Such a proposal was even against the Twenty-one demands, treaties and all previous official declarations made by the Japanese statesmen. The Japanese delegates thought that they would be able to secure from the delegates of the other Four Big Powers an agreement to their proposal, especially in view of the fact that China had no one to defend her interests. Unfortunately for Japan, the Chinese delegates learned of this cowardly attempt of Japan and appeared as petitioners by courtesy at the secret session within an hour.

A lively argument was exchanged between Mr. Koo and Wang, the Chinese delegates, and Baron Makino, Viscount Chinda and Mr. Matsui, the Japanese delegates, on the subject of Shantung. The debate arose after Mr. Koo had opened the Chinese case by presenting a general as well as a specific appeal for justice and asked all that China believed to be essential to a fair start in the world after the signature of the peace treaty. Mr. Koo's argument in favor of the unconditional return of Tsingtao to China was that Tsingtao was no longer a German leased territory, but had, as a result of China's declaration of war against Germany, automatically become Chinese territory again. As the territory was recovered from German hands by a joint British and Japanese force, China would be perfectly willing to give these Powers due compensation, for she had not the slightest desire to eat the fruits of others' labor. If additional reasons were needed, said Mr. Koo, they were as follows:

(1) Tsingtao to Peking, the capital of China is only one day's journey by railway, and is therefore a strategical point to China.

(2) Tsingtao is a part of Shantung in which China's sages, Confucius and Mencius, were born, taught and died. It is thus a part of the historical province which every Chinese venerates and its cession to an alien nation would lay the foundation for a future war.

(3) Kwangtung and other provinces are too crowded and the people there might emigrate to Shantung, which is slightly less populated.

In the midst of the debate, President Wilson made a few remarks in favour of justice and fair play in dealing with China and other weak nations, being evidently much intereseted in Dr. Koo's speech, which was well received by the delegates present by their nodding heads in approval of what he was saying. He then turned to the Japanese delegation: "Gentlemen, do you mind to place on the Peace Conference table every and all secret agreements and treaties made between China and Japan since the beginning of the European war in 1914?" The Japanese delegates, after some hesitation, replied: "We will have to wire to Tokio for instructions and will let you know as soon as we have received such instructions." President Wilson then turned to the Chinese delegation: "Gentlemen, do you mind to lay on the Peace Conference table all such secret agreements and treaties entered into between your country and Japan?" Mr. Koo, on behalf of the Chinese delegation, replied: "We have, Mr. President, no objection to doing so."

After the secret session, the Japanese delegates cabled to their government in Tokio urging that strong pressure be brought to bear upon the Chinese Government in Peking with the objection of making it

send secret instructions to its delegation at Paris that the latter must consult Japan on all important questions concerning the Far-East and that they must take concerted action with Japan at the peace conference.

On Thursday a member of the Japanese Ministry for Foreign Affairs called upon the Chinese legation in Tokyo, conveying the information that the appeal of the Chinese delegates at the Peace Conference for justice and had seriously embarrassed Japan, and that such an appeal for justice would not be heeded by the nations in the West, and that since China had acted in such a way as to treat Japan as an enemy of hers, Japan would take suitable action in return.

A message embodying the foregoing information was received in Peking on Thursday evening and it caused a stir in officials circles. Shortly afterwards, several Japanese officials in the Chinese Capital whispered to their Chinese friends that Japan was "very angry with China." In consequence, a panic was created. One of the Chinese high officials who was in the know said, "They are literally trembling."

On Saturday Mr. Obata (1) applied to the Ministry for Foreign

(1) It was Mr. Obata who successfully lulled the Foreign diplomats in Peking to silence by categorically denying the truth of the report that Japan had ever attempted to encroach upon China's territoral rights as was embodied in the Twenty—one demands.

Later the Tokyo Government gave way and confessed that it presented only eleven demands. Finally it confessed the whole truth and declared to the world that the demands it made upon the Chinese Government numbered 21 in all.

Affairs for an interview with Chen Lu, Acting Foreign Minister. Some members of the Foreign Office knowing the object of the interview, tried to dodge it by offering excuses.

On Sunday afternoon the Chinese Acting Foreign Minister consented to received Mr. Obata. The interview began at 3 p.m. and ended at 5 p.m. What the Japanese Minister did exactly say to the Minister in his endeavor to gag the Chinese delegates at Paris could be summarized as follow :—

"Here are three telegrams which I have received from Tokyo stating that the Chinese delegates at Paris were opposing Japanese interests and were adopting an independant attitude. These delegates had also declared to the foreign correspondants that they were prepared to disclose at any movement the secret agreements entered into between China and Japan. These agreements were concluded between the two countries, according to ordinary diplomatic usage, mutual consent should be obtained before they could be disclosed.

"China and Japan have always been friendly. Whenever China is in financial difficulties, Japan inevitably comes forward to assist her. Why did the Chinese delegates at the Peace Conference make an appeal for justice which seriously embarrassed the Japanese government? Since you have chosen to play the part of an enemy to us, we are obliged to retaliate.

"In my opinion, the best thing that can happen to the two great countries in Asia is cooperation at the Peace Conference in Europe. In

that case, China can get best advantages. England is too busy with her own affairs, such as strikes, and therefore cannot help China. (Yesterday the Chinese Government received a cablegram from Mr. Lu Cheng-hsiang, chief of the Chinese peace delegation at Paris, stating that England was as quite as could be.) As to America, her League of Nations idea did not receive the approval of many smaller nations in Europe. She will not be able to assist if China should find herself in trouble with our country. France, Italy and Belgium are being too much occupied with their own affairs to care about China. China stands helpless.

"Under the circumstances, the best policy for China to adopt is to follow Japan. The Chinese and Japanese delegates should consult each other and take concerted action at the conference. For this Japan will render assistance to China.

"As to the placing on the Peace Conference table every and all secret treaties and agreements signed between China and Japan since the beginning of the war, the delegates from the two countries should act jointly. In other words, the Sino-Japanese secret agreements must not be published without the approval of the Japanese delegates. I request that the Chinese Government at once send a cablegram to the Chinese delegates instructing them to modify their attitude. Otherwise lack of cooperation will be ruinous to the causes of both.

"Japan is, however, willing to have the secret agreement signed on September 24 at Tokio by the Chinese Minister to Japan and the Japanese Government published if China so desires. (The secret agreement refers to the joint administration of the railways in Shantung and to the

reversion of certain other German interests in that province to Japan. This agreement is intended not to be affected by any settlement at the European peace conference. In connection with it China secured a loan of Yen 20,000,000. The Japanese promised more financial assistance if it were needed in future. The agreement is, however, not yet confirmed by the Chinese Government. It is a preliminary one. Unless it is confirmed by the government, it will become null and void after four months. Mr. Obata's demand for the publication of its text is skillful. If the Chinese Government consents to its publication, the action could easily be construed as a recognition of the secret agreement. The question for the return of the Tsingtao to China was an easy one before September of 1918. The railway agreement, however, complicated the situation. By a clever stroke of diplomacy, it virtually stipulates the retention by Japan of certain German interests in Shantung.)

"In view of the present awkward situation in Europe, it is well for China to be on friendly terms with Japan. Japan has a million men and half a million tons of warships lying idle. I am also instructed by my Government to inquire whether your Government wants us to continue the payment of the proceeds of the loan for Yen 20,000,000. It is now for the Chinese Government to say whether it wants the monthly instalment of Yen 3,000,000. Thus far we have paid over Yen 3,000,000 to the account of the National Defense Administration. If your Government desires to cancel the loan, it will of course have to return the Yen 3,000,000 already advanced at once."

The same evening the American Minister heard of Japan's threat to use military and financial means, and called upon the Chinese Acting

Foreign Minister for confirmation. By accident, he arrived in the Foreign Office soon after the Japanese Minister, Mr. Obata, left, who left behind some atmosphere of threat. The American Minister at once knew that something of unusual interest had taken place and succeeded in learning the object of Mr. Obata's call. The British Minister called at the Foreign Office on Tuesday. It is beleived that both these Foreign Ministers have secured all information necessary to a complete understanding of the new developments.

On Tuesday, Feb. 4, representatives of the Associated Press, Reuter's, North China Daily News, China Press, The Times (London) and Millard's Review called upon the Japanese Minister to find out at first hand the meaning of the Japanese attempt to intimidate the Chinese Government and cause China to ask her delegates at the Peace Conference in France to recede from their independent position. Mr. Obata denied all of the reports of intimidation and gave the following explanation of his conversation with Mr. Chen Lu, the Chinese Acting Minister for Foreign Affairs, on Sunday, February 1: "I received a cablegram from the Japanese delegates at the Peace Conferenee in France to the effect that Mr. Wellington Koo, the Chinese delegate, had offered to make public the secret documents existing between Japan and China. I called upon the Chinese Foreign Office to explain to the Chinese Government that this procedure of China's delegates was not in accordance with diplomatic usage; that if these documents are to be made public, the action should be taken by China and Japan in concert. Mr. Obata asserted that he did not consider it strange that he should take official action *merely* upon instructions that had come to him direct from Paris, and asserted that he

had received no instructions on the subject from Tokyo. He also asserted that he knew nothing regarding the report that the Chinese Legation in Tokyo had also received a warning of possible drastic action from the Japanese militarists in Tokyo. When asked for an explanation of the condition of terror that had existed all week in Chinese official circles, he laughed good-naturedly and seemed to consider it a joke that the Chinese should become panic stricken over a mere rumor. He said Japan would never think of threatening a military and naval demonstration to intimidate China and denied absolutely that he had stated to the Chinese authorities that China could not now expect any help from England because that country was impotent owing to internal labor troubles. Then he made the startling statement that Japan had no objection to the exposure of all of the secret agreements now existing between his country and China. "A statement from the Japanese Foreign Office at Tokyo on this subject would be interesting, it may be said in passing.

It is impossible to learn details of the official meeting at Peking, but from what has leaked out from those attending it is clear that the Peking Government has yielded to the Japanese pressure and accepted the Japanese viewpoint.

On February 7, a lengthy cablegram was received from Chinese Chief delegate, Mr. Lu Cheng-hsiang, in which he stated that in trying to settle the Tsingtao and Shantung questions at one of the secret sessions of the Big Five without consulting the Chinese delegates first, the Japanese delegates wanted to ignore China deliberately, and that there was no reason why the Chinese delegates thus insulted should consult the

Japanese delegates. The cablegram continued that it was the Japanese delegates who first violated what Mr. Obata described as the "usual diplomatic procedure."

On February 8, another cablegram was received from Mr. Lu, according, to an unconfirmed report appearing in the press this morning, in which he stated that China's plenipotentaries to the European peace conference have full freedom of speech and refuse to be influenced by any one from the quarter. This cablegram, if actually received from the Chinese peace delegates, is tantamount to a reply to the Cabinet message sent on February 6, which was construed in some circles as a proof of China's concession.

It appears from the cablegram dated Feb. 7, from Mr. Lu Tseng-tsiang that the Peking Government yielding to Japanese pressure exercised at Peking instructed the Chinese delegates to consult the Japanese delegates. Referring to these instructions Mr. Lu Tseng-tsiang state that there was no reason why the Chinese delegates insulted should consult the Japanese delegates. During a certain meeting in which the Four Great Powers alone discussed the important peace questions. In other words, some important problems were discussed and decided upon by America, England, France and Italy. The Japanese government found out that was very unfortunate though it was not quite clear whether the alleged exclusion of Japan was intentional on the part of the Big-Four or whether it was inadvisable for Japan to interfere in the question of European questions.

"Japan, says Marquis Okuma, [Prime Minister at the out break of the war] in an interview published by the official paper "Hochi" had a

perfect right to take part in the consideration of European questions is plain from the treaty concluded between England, France, Russia and Italy in October 1915." Following this declaration, Marquis Okuma, most severely cristisized the attitude of the Japanese delegates who, "excepting only their presence at the regular conference, seem to be shut up in the rooms of their hotels and to be keeping a golden silence. If they continue in their present attitude, they will be excluded more and more from the discussion of important affairs, and Japan's position as a member of the Five Great Powers will be only an empty name," concluded the Marquis Okuma.

As a matter of facts the Big Four had discussed the Kiao-Chow questions several times.

Reuter's Agency, on May 2, learns that, according to a telegram that has been received in Peking, the British, American, French and Italian Foreign Ministers on April 17 discussed the Shantung question.

Mr. Lansing proposed that, as the United States was not disposed to undertake the settlement of it herself and could not agree to any other Power doing so, this question should be settled by the Five Great Powers, with the consent of the country connected with the problem.

Marquis Saionji said that Japan would have something to say later on.

Another meeting was held on the 19th. Then on April 23, at a meeting between President Wilson, Mr. Lloyd George and M. Clemenceau, it was resolved that the Chinese should be given the choice either of settling the Shantung question in accordance with the Sino-Japanese secret agree-

ments or that Japan should inherit the German rights in Shantung, and that one of these alternatives should be embodied in the Peace Treaty.

Mr. Wellington Koo made a very strong appeal against both these proposals, and the matter was referred to a technical committee.

On May 3, a telegram was received from. Mr. Liang Chi-chao (1) saying that he had heard that the Peace Treaty would give Kiao-Chow to Japan owing to the great activities of the Japanese Delegates, and if China were to sign the treaty she would bind herself firmly. He asked the People's Foreign Relations Association to telegraph to the Chinese Chief Delegate urging him not to sign the treaty, also to request the Government not to allow the treaty to be signed.

Further we will describe how the Chinese people was grievously exasperated when learning the outrageous attitude of the Japanese towards China. Without any distinction of class all the provincial populations united themselves in their protest and opposition against the Japanese.

Once more they resorted to their peaceful weapon against foreign pressure, i. e., the boycott.

Has the attitude of the Chinese people succeeded in forcing the Japanese Government to refrain from so indignant a policy? Although it was reported that Japan will take into consideration China's protest at the Peace Conference, we dont think Japan is willing at the present time to alter her policy.

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(1) Famous Chinese scholar, formerly Minister of Justice, adviser of the Chinese Delegation at the Peace Conference.

From a telegram dated Paris May 22, handed to the "Asiatic News Agency" for publication, we learn that:

"The Chinese peace delegation has been formally notified by the Japanese delegation concerning the relinquishment of Shantung to China with full soveriegn rights; but as no date was mentioned as to when Japan is going to negotiate with China for its restoration, the Chinese delegates are negotiating with Makino and Chinda about the same. At the same time, the Chinese delegation discussing namely with the British, French and Italian governments for a more detailed statement about Shantung's restoration to China by Japan after the signing of the peace treaty because the Chinese people demand to know definitely about Allied guarantee of Japan fulfilment of her pledge. It is hoped that these questions will be solved shortly so that China may get better terms about Shantung."

Had the restoration of Kiao-Chow been sincerely considered by the Japanese Government or was not the promise of the restoration merely a manoeuvre as to reassure the Chinese people in order to bring the boycott which is so prejudiciable to the Japanese commerce to an end? In all sincerity the promise of the restoration of Kiao-Chow is but only an odious manoeuvre which could never give the result desired. As to the possibility of a restoration prior to the signature of Peace treaty or after it had not been considered by the Japanese Government.

In October 1918, Marquis Okuma, now retired to private life, caused Japan's "Ten Peace Principles or Conditions," to be printed in Japan. Two of these principles were as follows:

(1) The cable line between Tsingtao and the Southern islands, which is now occupied by the Japanese navy, should be held by Japan. The cable line is a property owned by a private concern, so that Germany should before the end of the war concede it to Japan;

(2) Japan should return Tsingtao to China, as she has declared, but she should have the right to hold the exclusive settlement there and various organs and buildings attached to the settlement. The Tsinan railway, which is the property of a private concern should be bought up by the German Government and then should be conceded to Japan,"

The "Peace Condition" by Marquis Okuma, writes a fluent writer, is like "lets the cat out of the bag" to use an expressive American slang phrase.

It is preferable to consult a map of Tsingtao. (1)

The section enclosed in the heavy dotted line is to be the new Japanese "concession" at Tsingtao. The rest of the territory of the former German section of Tsingtao is to be "returned to China" or "internationalized". In a glance on this map it shows that within the lines that rought outline the proposed new Japanese "Concession of Tsingtao" include the shipping docks, the former German naval works and dry-docks, Custom house, blocks of houses and factories, etc.

In several interviews published by the Japanese papers at home, the declaration has been made that this matter has "already been settled between Japan and China." It doubtless referred to the same kind of secret agreements entered into by the Peking and Tokyo Governments.

(1) See the map enclosed in the text on this point.

Baron Hayashi, former Minister at Peking, interviewed by the "Asahi" said:

"As you know well, the question regarding the retrocession of Tsing-"tao had been already settled between the Chinese Government and the "Okuma Cabinet (i. e., since 1915). Japan promised to return Tsingtao "to China when the war comes to its end. Therefore, it is absurd to "think that China would present such a question as the immediate "restoration before the forthcoming Peace Conference."

This declaration of Baron Hayashi was published on December 13, 1918.

On January 21, 1919, Viscount Uchida, Japanese Foreign Minister speaking before both Houses of the Japanese Diet gave notice to China and to all the world that Japan expected that the treaties she negotiated (1) as a result of the Twenty-one demands should be confirmed by the Peace Conference. It was the first official statement on Japan's peace terms, which statement clearly indicates that Japan is prepared to play a strong game at the Peace Conference if the Power's representatives showed any hesitation as to accept the Japanese claims. Dealing with the Kiao-Chow question he states upon the "acquisition of the right of free disposal from "Germany of the leased territory of Kiao-Chow, we would restore it to "China in accordance with the terms of the treaty of May 25, 1915, "regarding the Shantung province."

Previous to this Statement before the Japanese Diet, Viscount Uchida on January 17, issued another important statement to the Press.

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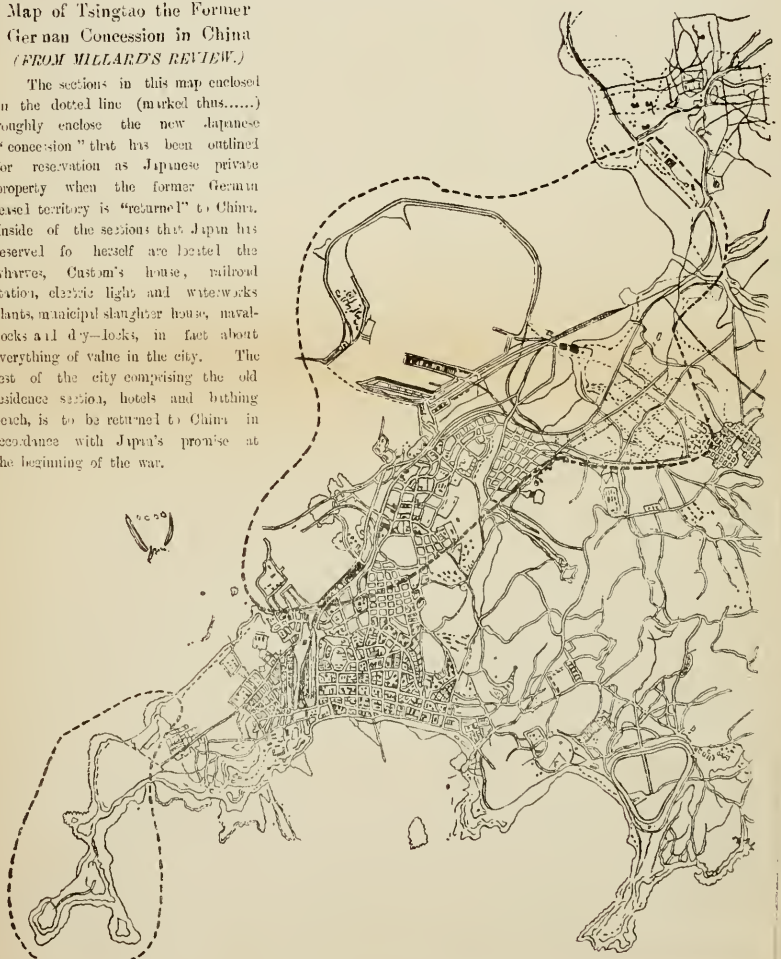
(1) See Appendix

Map of Tsingtao the Former German Concession in China

(FROM MILLARD'S REVIEW.)

The sections in this map enclosed in the dotted line (marked thus.....) roughly enclose the new Japanese "concession" that has been outlined for reservation as Japanese private property when the former German leased territory is "returned" to China. Inside of the sections that Japan has reserved to herself are located the wharves, Custom's house, railroad station, electric light and waterworks plants, municipal slaughter house, naval-docks and dry-docks, in fact about everything of value in the city. The rest of the city comprising the old residence section, hotels and bathing beach, is to be returned to China in accordance with Japan's promise at the beginning of the war.



After reviewing the activities of publicists in Japan and China and regretting the grave charges made both in Japan and China against various Powers, he stated:

"Turning to our relations with China, I learn with as much regret as surprise that in certain quarters serious misgivings are entertained as to our tone and genuine intentions, and that we are even credited with a design to modify our avowed policy of the restitution to China of the territory of Kiao-Chow. I can only endorse and reaffirm the statement issued to the press by Baron Makino at Paris on May 4, defining Japan's position in reference to the Shantung question. Japan will keep every word which she has passed. Shantung Peninsula will be handed back to China in full sovereignty, and all arrangements made to promote the mutual benefit of the two nations will be loyally observed."

These two statements issued almost simultaneously contain the strongest contradiction. Speaking before the Diet, Viscount Uchida says that Japan "expected the treaty which she negotiated as a result of the the Twenty-one demands to be confirmed by the Peace Conference", while in the Statement to the press, he declares that "Shantung Peninsula will be handed back to China in full sovereignty."

There is the most striking feature of the suspicions Japanese policy towards China. Contradictory statements are issued in order to mislead the world's opinion.

What had been the Japanese behaviour during the negotations in 1915 for the Twenty-one demands, remains to be true nowadays. In spite of her rising up as a great Power Japan is and for ever will be an Asiatic country for whom duplicity will always be synonymous with skilfulness and treachery with cleverness.

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At the Peace Conference Japan made strong demands for her so-called rights in Shangtung and it transpired that if these demands were not conceded she might follow Italy's example and leave the Peace Conference.

It became evident that the Big Four were not convinced of what Japan is claiming as her rights in Shantung and Kiao-Chow. As China's rights could not be contested, it would be comprehensible why the Big Four were hesitating to decide in Japan's favour in spite of the secret treaties concluded between Japan and the Entente Powers and Italy. The Big Four in order to conciliate everything suggested that Shantung and Kiao-Chow be administered by an International Commission until the decision of the League of Nations.

Japanese delegates strongly opposed such suggestion, urging the Entente Powers and Italy to fulfill the secret treaty obligation, and they went so far as to give the threat of deserting the Conference.

Following the threat of the Japanese delegates to desert the Peace Conference, it was cabled from Paris that Britain and France on account of secret agreements with Japan might not be able to persevere in their sympathy for China's case. Hence it was generally feared that the Chinese claim for a direct relinquishment of their national rights by the enemy may turn out to be a Japanese diplomatic victory which means the destruction of the schemes for the reconstruction of the Chinese Republic without Japanese interference.

As a matter of facts, Japan herself demanded that China reduce all agreements with other powers infringed on by the Japanese accords since 1915 to "scraps of paper," as well as herself taking a like course toward

the Open Door and Equality of Opportunity arrangements she is pledged to adhere to without qualification.

That China wishes to have the Peace Conference unqualifiedly define the status of Kiao-Chow is the logical outcome of Japanese tactics. Japan has shifted her position regarding the restoration of this dagger pointed at the heart of China according to the fluctuations of the Great War and the changes in Japan's chances for realizing her purposes. Moreover, Japan can only acquire Germany's rights to Kiao-Chow by reducing the original agreement between Germany and China to a scrap of paper. The Japanese inspired declaration states that "Japan shall surrender to China the leased territory of Kiao-Chow upon the territory being formally transferred to Japan by Germany at the Peace Conference," but the German-Chinese agreement of March 6, 1898, stipulated that Kiao-Chow could not be alienated to any other power and must be returned to China on the expiration of the lease.

Japan comes out in the open when she states that if the Treaty of 1915 is "adjudged waste paper" Japan "by right of conquest, is entitled to remain in Shantung for the rest of the period for which Kiao-Chow was leased to Germany." Does this mean that America and Britain have the right to remain on Belgian and French territory occupied by them during the war by virtue of its conquest from Germany—territory which neither Belgium nor France could have wrenched from the Teutonic clutch without American and British assistance?

The essential sanctity of Chinese territory remains the same as that of France, Serbia, Belgium—any Ally. No League of Nations can begin its efforts to stabilize the world by leaving unheard and unredressed the case of four hundred million people.

Within a week after President Wilson had issued his declaration denying Italy's claims it was officially announced that the Council of the Big-Three of the Peace Conference had granted Japan's claims for the leased territory of Kiao-Chow.

Japan's claims, it is to be remembered, are based upon her military success in driving out the German force from the said leased territory and upon a secret treaty, which was published afterwards, by which England, France, Italy and Russia, granted her this territory which she already occupied.

It was alleged by the Council of the Big-Three that China herself had previously declared, as it was proved by secret agreement exposed before the Conference of the Japanese delegates, that she would "gladly" agree to any decision which would grant to Japan the leased territory and other Germans rights, etc, claimed by Japan.

The secret agreement referred to was unknown to the Chinese delegates till the moment when it was shown to the Conference. After communications exchanged between the Peking Government and the Chinese delegates, the latter were able to reply and proved that the secret treaty referred to was an agreement secured by pressure and by means of the ultimatum and ought not to be sustained by the Conference who had assembled to render justice for all nations.

Notwithstanding the strong protest of the Chinese delegates an article of the Peace Treaty, Section IV, "Political Clause outside Europe" was agreed upon by the Allied and Associated Powers and it read:

German Rights Outside Europe: "Outside Europe Germany renounces all rights, titles and privileges as to her own or her Allies' territories to all the Allied and Associated Powers, and undertakes to

accept whatever measures are taken by the Five Allied Powers in relation thereto.

China: "Germany renounces in favour of China all privileges and indemnities resulting from the Boxer Protocol of 1901, and the buildings, wharves, barracks, forts, munitions of war, ships, wireless plants, and other public property, except diplomatic or consular establishments, in the German Concessions of Tientsin and Hankow and in other Chinese territory, except Kiaochow, and agrees to return to China at her own expense all the astronomical instruments seized in 1900 and 1901. China will, however, take no measures for the disposal of German property in the Legation Quarter at Peking without the consent of the Powers signatory to the Boxer Protocol. Germany accepts the abrogation of the concessions at Hankow and Tientsin, China agreeing to open them to international use. Germany renounces all claims against China or any Allied and Associated Government for the internment or repatriation of her citizens in China and for the seizure or liquidation of German interests since August 14, 1917. She renounces in favour of Great Britain her State property in the British Concession at Canton, and of France and China jointly of the German school in the French Concession at Shanghai."

Shantung: "Germany cedes to Japan all rights, titles and privileges, notably as to Kiao-chow, and railroads, mines and cables acquired by the Treaty with China of 6th March, 1898, and by other Agreements as to Shantung. All German rights to the railroads from Tsingtao to Tsinanfu, including all facilities and mining rights and rights of exploitation, pass equally to Japan, and the cables from Tsingtao to Shanghai and Chefoo,

the cables to be free of all charges. All German State property, movable and immovable, in Kiaochow is acquired by Japan free of all charges."

"Communications were exchanged between the Chinese Delegates with the Peking Government as well as the South-Western Government, in order to decide what should be the attitude of the Chinese delegates at the signature of the Peace Treaty.

The Chinese people were unanimous in urging their delegates not to sign the Treaty, so the Peking and South-Western Governments cabled to the delegates not to sign the Treaty unless a clause on reservation regarding China's unquestionable right from Germany to recover directly the leased territory of Kiao-Chow, the rights, titles and privlleges conceded to Germany in Shantung province, was also included in the Treaty.

The Japanese pressed the Peking Government once more demanding the latter to cable the Chinese delegates to sign the treaty without reservation. Several times, they approached the Peking Government giving assurances that the leased territory of Kiao-Chow and other German rights, etc., would be returned to China soon. Assurances given as well as promises which could have been made to Peking Government proved that the Japanese were too anxious to have the Kiao-Chow problem definitively settled in their favour.

Here is a communication of the Diplomatic Commission at Canton, dealing with the attitude to be adopted by the Chinese delegates at the Peace Conference.

"China at the European Peace Conference."

WHAT ATTITUDE TO BE ADOPTED BY THE CHINESE GOVERNMENT

(Communicated by the Diplomatic Commission)

The decision of the European Peace Conference on the Chinese problem must be explained to the country in order to avoid mishap and permit the citizens to have a sound opinion of the terms of peace imposed upon Germany.

It is not necessary to recall here the circumstances which preceded to the participation of China in the war against Germany and her allies. It is only to be regretted that the Peking Government, being extremely confident in the declarations of the Allies concerning the aims of the war, forgot to make previous arrangements before declaring war against Germany. The Chinese Government never has had much of a mercantile idea. It was told that this fighting against imperialism and autocracy would regenerate the world and re-establish the rights of the nations. It was told that people could definitively acquire the liberty to live in accordance with their national aspirations. It was told above all that international questions pending shall be once for all settled so causes of conflict should disappear and permanent peace realized at last.

In the first three years of the war China and some other countries remained neutral. But when the United States declared war she realized that she could no longer remain apart and therefore she deliberately entered the war.

China's participation in the war was discussed and fixed by the Allies. It is not an unveiling secrecy by saying that this participation should have been greater if the Allies had asked for such greater participation.

This is not the place for the summing-up of what China has done or should have done.

The most important motto to be retained is that China was a factor in the war against Germany and above all her contribution was also an element of the Allies' victory.

The actual participation to the European war shall not be taken as one "directive" for rights to be recovered or indemnities to be received. The preponderant position of Japan at the Peace Conference is illustrating the case that the gain will never be calculated according to the said participation.

For the present point of view, it is to be noted that among the nations seated at the European Peace Conference it is not those having suffered much who are preponderant.

Germany has been positively defeated and her delegates to the Peace Conference recognized this fact.

Consequently besides the victorious and the defeated nation neutrals are also invited to the said conference. Further representatives of newly recognized states are also given the right to attend the Conference.

The time for a general and definitive settlement of all international questions susceptible to provoke future conflict has come and the leading statesmen of the great powers proposed to create a League of Nations as the guarantee of permanent peace. The creation of this League was made

one integrant part of the newly drafted Peace Treaty. Time seems to be insufficient to investigate all those who favour the League and those who had previously studied whether such a League is workable. The general "belief" is that the sincerity of the members will assure the efficiency of the League.

The League of Nations can only become operative as the result of an "act of faith." So long as the members of the League do not believe in the sincerity of each other they will invite competition and suspicion.

China's delegates to the European Peace Conference as instructed by the Chinese Government favoured the creation of the League of Nations.

The League of Nations was made one integrant part of the Peace Treaty. It is in some respect the consequence of the war and the guarantee of permanent peace. The creation of the League of Nations was possible only if all quarrels or causes of quarrels between nations were definitively settled once for all. The League of Nations was created only for the future events and not for the past and no League to enforce peace can effectively give peace if questions previous to the war could not be settled by the Peace Conference.

In fact all international questions pending were submitted to the different Commissions of the Peace Conference and to the Conference itself. It was the Conference who decreed the creation of the Slav State and will probably settle the anxious question of the Adriatic Sea.

China as well as other countries menaced by a powerful neighbour submitted her "case" to the Conference. Among the questions laid before the Conference two of the most important were:

(1) Denunciation and abrogation of all secret treaties, agreements and conventions between China and Japan.

(2) China's rights to recover all privileges granted to Germany within Chinese terr itory.

The right of China to recover all the privileges granted to Germany is unquestionable. All treaties existing between China and Germany were abrogated by the declaration of war against Germany. There is one principle of *droit international* never contested. China has the right to repatriate Germans, suspend all obligations imposed upon her by Germany and recover all privileges granted to her.

Also the pretension of Japan to retain Kiao-Chow is beyond comprehension. As it is clearly stated in the Convention for the Lease of Kiao-Chow signed at Peking the 6th March 1898, Germany can't sub-let Kiao-Chow to a "*tierce*" country. Germany was forced to leave Kiao-Chow. If China had entered the war from the beginning the question of Kiao-Chow could never have existed.

China's wrong was to come later into the struggle. Japan bound by her alliance treaty with England received from the Allies the mission to drive the Germans out of the Far East.

Japan began her campaign against Germany by besieging Tsingtao. Her fear of suspicion of her western Allies compelled her to give assurances, in her ultimatum to Germany, that it was "with a view to eventual restoration to China." Count Okuma, Prime Minister at this time, made the statement that his Government would "take no such action as to give to a third party any cause for anxiety" or uneasiness regarding the safety "of their territories or possessions." The same declared in a message

cabled to the American people that in ousting the Germans from Kiao-Chow "Japan has no ulterior motive, no desire to secure more territory."

Therefore Japan by authentic declarations acknowledged the right-eousness of China's cause upon the sense of international justice and the principle of *droit international.*

To the Peace Conference were brought to light secret treaties by which Great Britain, France, Russia and Italy pledged their support to Japan's demands for the German rights in the Shantung province. It was also proved that Japan opposed China to join the Allies in the war, her assent was only given on the terms she laid down in the secret treaties mentioned above.

Japan's delegates to the European Peace Conference argued that China voluntarily declared herself glad to agree to any settlement between the parties thereto. But the Chinese Government in one statement issued through Reuter's Agency affirms that "China's acquiescence to terms subversive of her good government was secured by means of an ultimatum to which she was forced to surrender because of the pre-occupation of the world in the European war".

Japan's declarations in her ultimatum to Germany at the beginning of the hostilities as well as the declaration of Count Okuma acknowledged China's unquestionable right to recover directly the privileges granted to Germany

It is immeasurably important for China for the whole future as well as for the principles of an enduring peace so constantly and openly professed by the members of the Conference that China could directly recover privileges granted to Germany within the Chinese territory.

To support Japan's demands that she be recognized as lawful successor of Germany's rights in the province of Shangtung would be a complete "*deni*" of justice to the most righteous cause of China as well as the recognition of all secrets accords imposed upon her by means of an ultimatum.

"The subsequent agreements made by Japan, declare the Chinese Government, under a former Cabinet, the principles followed have been equally dangerous not only to China's liberty of action but to her true independence, and if she now claims the abrogation of all and sundry agreements it is because their terms are incompatible with the principles on which the League of Nations is founded."

China's unanimous protest against the decision of the Peace Conference to authorize Japan to take over the German rights in the Shantung province shows that the Chinese nation never would ratify any treaty which sanction an injustice.

It must be born in mind that under international law a treaty when signed and ratified is taken to be freely given. Vattel, a classical authority on international law said. "It was her own free choice to prefer a certain and immediate loss, but of limited extent, to an evil of a more dreadful nature, which, though yet at some distance, she had but too great reason to apprehend." (Bk. IV or IV, Section 37.) Phillimore draws a possible analogy in this respect to a private contract entered into to avoid, or to stop litigation, which, although the party was induced—to enter into it through the apprehension of delay, expense and the uncertain event of a lawsuit is nevertheless binding. (Int. Law. 2nd, II, 71-72l). Hall another authority on international law, said: "International law, force

and intimidation are permitted means of obtaining redress for wrongs, and it is impossible to look upon permitted means as vitiating the agreement, made in consequence of their use, by which redress is provided. Consent therefore is conceived to be freely given in international contracts, notwithstanding that it may have been obtained by force, so long as nothing more is exacted than it may be supposed that a state would consent to give, if it were willing to afford compensation for past wrongs and security against the future commission of wrongful-acts." (In. Law 6th Ed, p. 319).

So if China instructed her delegates to sign the Peace Treaty it could only mean that she had freely given her consent to part with the rights which she had granted to Germany in 1898. In other words, she could not defend herself before the League of Nations that she was forced to sign it.

It is most desirable for China to instruct her delegates not to sign the Peace Treaty and order them to leave France immediately.

The reason for the immediate withdrawal of China's delegates from the European Peace Conference is all important.

In persisting in the decision to give to Japan the German rights in the province of Shantung, the Peace Conference put in the balance the national existence of the Republic of China.

China can't willingly sign her "death warrant" as well as to consent to endanger the world's peace.

To withdraw from the European Peace Conference apppears the only possible and logical attitude to be adopted by China.

On June 27, 1919, the German delegation signed the Peace Treaty

which was drafted by the Allied and Associated Powers. The Chinese delegates were auxious to sign the treaty with a reservation regarding the Kiao-Chow and Shantung province. The Peace Conference being opposed to such reservation so they did not sign the Treaty.

Consequences of the Chinese Delegates' Refusal to sign the Peace Treaty

The refusal of the Chinese delegates to sign the Peace Treaty without reservation regarding the Kiao-Chow question naturally put China in a peculiar position.

As the result of the refusal to sign the Peace Treaty on the part of China, a state of war will continue between her and Germany, and in order to put an end to that situation a new treaty must be concluded between the two countries. It will be difficult to China to negotiate separately with Germany as such a step will probably arouse suspicion from the part of other Powers and drive herself into a position of great difficulty

Discussing the refusal of the Chinese delegates to sign the Treaty the Japanese official press has gone too far as to say that China will not be accorded international courtesy and the disadvantages she will suffer are incalculable.

On the other hand, the attitude of China on this occurence is unanimously approved by those who are well acquainted with the Far-Eastern situation and the Chinese people are not ignorant of the Japanese scheme for the subjugation of China and her transformation into a

subordinate state. As a matter of fact, China could get very little advantage by signing it, as the Japanese promise of returning Kiao-Chow to China are mere empty words. It is quite certain that Japan will keep Tsingtao, the Shantung railways and other preferential rights under ordinary circumstances.

The plain facts of Chinese delegates, refusal to sign the treaty as it has been stated in the Communication of the Diplomatic Commission at Canton regarding the attitude to be adopted by Chinese delegates at the Peace Conference, are that the action of the Chinese delegates in refusing to sign the "death warrant" for their country is to be admired. In fact the news had brought general satisfaction in China among all classes even the foreign residents in China. Whatever may happen, it can't injure China. Whether she remains indefinitely or whether she signs a separate peace with that Country doesn't make much difference. True, the action is without precedent and we are presently facing the accomplished fact, but the Chinese delegates have refused to sign and this action may help the situation.

The Chinese delegates not signing the Peace Treaty have brought the Kiao-Chow question now to the very fore-front in America and Europe.

"Why didn't China sign" is now the subject of discussion and from this point of view one could ascertain that the Parliaments in the Allied and Associated countries would enquire what was China's motives for not signing the Peace Treaty. It is impossible to foresee what suggestions would be made before the ratification of the Treaty, but any suggesrions, which may be made will not in any way prove to be partial and against justice.

The Japanese press declared that China is to stand out of the League of Nations. Such declaration is made with the detestable object to mislead once more the Chinese opinion. We can say with certainty that China can join the League of Nations later on as her signing of the Peace Treaty with Austria-Hungary will give her the right to take part in this international organisation.

China's refusal to sign the Peace Treaty may be invoked as a possible argument against her for joining the League of Nations, but her right to join it as a neutral power would not be contested even admitting China refusing to sign the Peace Treaty with Austria-Hungary.

The probability of China refusing to sign the Peace Treaty with Austria-Hungary was discussed by the Japanese Press. What would be China's attitude if Italy's claim for the Austrian Concession at Tientsin was accepted and the said Concession granted to Italy? Was not this case similar to the Kiao-Chow question?

Reuter's Agency from Paris cabled that Italy had claimed the grant of the Austrian concession at Tientsin. Immediately the news was colported through the Chinese provinces by those who alone have interests to stir the Chinese national feeling in order to prove to Chinese that they ought to make the "destin's part" and passively ratified the Italian occupation of the Austrian Concession at Tientsin as well as the grant of Kiao-Chow to Japan. But lately the same Reuter cabled that the Allies Supreme Council rejected Italy's Claims.

The Peace Conference must not forget that it has taken the principle "du droit des-peuples," to live after their aspirations, which principle is the fundamental maxim of modern peace.

Wasn't it debated at the Peace Conference that any country organizing itself could be a cause of conflict susceptible to trouble the peace of his neigbours or imperiled the world's peace?

The only and veritable aim of the war as it was proclaimed by the respective Allied or Associated Powers in the struggle against the German imperialism which was a permanent danger for the world's peace, was to force all causes of conflicts to disappear in order to secure a permanent peace. It is to be much regretted that certain Powers would unable to base their decision with their previous declaration, as these other Powers who were unable to conciliate their declaration with the acts.

It is not impossible that the Entente Powers' diplomacy before the definitive organisation of the League of Nations will do the utmost for a definitive settlement of the Kiao-Chow question as it would remain inconceivable that the Peace Treaty left unsettled a question which must remain as a permanent cause of conflict endangering not only the peace in the Far East but also the world's peace. As the reservation proposed by the Chinese delegates was not accepted it may be said with certainty, that the Great Powers have decided to find out an equitable solution capable to give satisfaction to China and also to the world's opinion.

Before relating how the Chinese people appreciated the Peace Conference's decision, we have a few words to say on the attitude of President Wilson and other American delegates at the Peace Conference.

President Wilson's declaration opposing Italy's claims regarding Fiume give an indication that the Japanese claims for the inheritance of the leased territoy of Kiao-Chow and the German rights, titles and privileges in the Shantung province would probably be opposed at the

Peace Conference. Unfortunately President Wilson and the American delegates, although their sympathies were with China, decided against her. Although his Fourteen Points sustained China's claims, nevertheless, President Wilson signed the Peace treaty for if he had decided the other way Japan would have withdrawn from the Conference; and with Italy out and Japan also out, the League of Nations would have become nothing more than an alliance between England, France and America.

In spite of this attitude of the Great Powers towards China we have the confidence that as soon as the situation permit, they will take into consideration the exceptional situation created by the decision of the Peace Conference as to give to Japan the leased terriory of Kiao-Chow and other German rights, titles and privileges, in Shantung provinces. It is absolutely against the spirit of the Peace Treaty as to willfully maintain causes of conflict which are of a nature to endanger the world's peace. The Great Powers, who were bund by treaties concluded at one time when it was impossible to foresee how long the war would last, as well as those who notwithstanding their sympathies for China's claim were forced to decide contrarily to their free will.

Have France and America, the two great democratic Powers, and England, the liberal country, realized what dreadful sorrow has been imposed upon China by their refusal to accept the reservation of the Chinese delegates concerning China's claims allowing them to sign the Peace Treaty.

Were the same Powers unable to convince Japan that permanent peace can exist only if she keep up the promise made by her statesmen to return Kiao-Chow to China?

These three great Powers have accomplished sublime work in order that freedom and equity will ever remain as essential conditions of the social evolution as well as fundamental principle of liberal and democratic Government. They constituted themselves guardians of the world's peace when they conjointly framed the regulations of the League of Nations and put it ahead of the Peace Treaty, their duties are to preserve peace and they would be able to fulfill the duties imposed on them by the obligations mutually contracted among themselves only if they endeavour to sincerly and without restriction to find out the truth of the actual situation in this case in which justice alone must rule if permanent peace is to have an existence on earth.

Chinese Protest

Perhaps European and American countries people as well as government are honestly believing that China and Jopan being Asiatic countries apparently se intimately connected with one another must in the future be united together in their action against foreigners who are seeking advantages in the Far East. That was the theory so often propounded by Japanese statesmen and writers, both of them claiming the right to guide and defend China to such a degree that this so-called "panasiatic movment" was by European and American statesmen and writers feared and denounced European and American diplomacy knows perfectly well that in spite of all Japanese theory for guarding the Far Eastern and Middle asiatic people against foreign intrusion there is no pan-asiatic doctrine existing in China as well as in these weaker countries. The Japanese by

their pretension are working a scheme in order to destroy foreign intercourse in the Far East. But it is hopeful to note that notwithstanding such difficulties in the circumstances the Chinese people have been checking the progress of this scheme of their restless neighbour who is endeavouring nothing less than the subjugation of their native land in order to lay down their hands on the immense ressources of China.

European and American people could not realize so well as the Chinese did to what extent the propounding of Japan's pan-asiatic doctrine would constitute a real danger for the world's permanent peace. As it is already written Japan is, under her modern organisation, the most absolute autocratic power. The Japanese Mikado bestowed a Constitution to his beloved subjects to whom was given the privilege to elect a Parliament as well as the Constitution are but nominal institutions while the will of His Majesty the Emperor of Japan is only the ruling power. When the Diet elected according to the Japanese Constitution refused as for example to vote for the budget, His Majesty the Japanese Emperor purely and simply dissolved it. The dissolution of the Japanese Diet has been recorded in the Government history; it has been dissolved not less than thirty times since it existence.

The Japanese political parties had practically no platform nor program aiming at the realization of any social idea. Even admitting that these parties could be effectively reorganised they would never consent to destroy the feudal system in Japan. From childhood till manhood the Japanese learn to love the Emperor and to work for his greatest glory above everything; then they are taught to do their utmost for the glory of Dai Nippon.

Patriotic sentiment must be honoured by the citizens of all countries

and we have never had any grief against it. But we must state that such sentiment is not cultivated in the proper way among the Japanese. For example the Japanese women is at home or abroad, whether she is princess, laborer or prostitute always doing all she can in order that the great glory of the Dai Nippon may by maintained. Most of them are members of the Military and Navy League and pay regularly their contributions.

It remains quite impossible to say accurately to what extent the new ideas such as socialism, internationalism even Bolshevism are existing in Japan, but what we can positively affirm is that these ideas if introduced within the limits of the Japanese Empire it would be mixed up with imperialism and the result would be the same as that of the German Socialism.

Japan has been compared to Germany and is currently called the "Yellow Germany". In fact the evolution of this country is somewhat surprising. In other countries the democratic principles invariably were substituted to reactionary and autocratic ideas, but in Japan that was the contrary. Japan began her reorganisation by adopting the French and English methods but little by little they were substituted by German methods probably because these methods were more in harmony with Japanese mentality.

Circled in mountainous istands without sufficient mineral resources, having to feed a population which is growing to the enormous rate of 600,000 per annum, having above all adopted a policy of one intense economic development and mixed up with the Concert of nations, Japan was forced to resort to a policy of external expansion in order to provide herself with what is indispensable for the success of the policy to which she resorted.

As Germany her transformation was from an agricultural country to that of industrial state, as well as her later entrance into the world's competition it gave her statesmen a very difficult task. To find out foreign markets for the Japanese products was and remains to be a hard task, owing to the quality of the products also. Raw materials are obtainable only with the greatest difficulty, as the western countries having nearly drained their national resources have to import all raw materials from their colonial possessions for their own industries.

China's proximity lead Japan to fix her choice upon this immense country whose resources are practically not yet exploited. The Mandchu dynasty being unable to defend the national territory against Japanese aggression was forced to cede Formosa, Korea and other parties of native land to Japan. The Japanese forced extension was checked by the policy of this heterogenous association named: Concert of nations, then the "open door" policy and the doctrine of equal opportunity were proclaimed in order to preserve China's territorial integrity and her sovereign rights. Even such a concert was unable to prevent the Japanese extension in China.

The Chinese revolution was a bitter surprise to the Japanese. Not until recently they could not realise how the revolution was triumphant. Nevertheless, they feared the existence of a democratic power so near to them. They endeavoured by all means to persuade the Chinese officials that imperialism alone could save China. Have they suggested to Yuan Shi-Kai the monarchical restoration for his own selfish interests? It was reported that the Germans made the suggestion of such a restoration in order to get China into trouble and prevent her participation in the war but officially it is known that Japan herself

proposed to Yuan Shi-kai her support in exchange for advantages and privileges contained in the famous Twenty-one demands.

When the Japanese attempt for subjugation was revealed to the Chinese people, national sentiment bitterly resented the indignant and outrayeous Japanese policy. The Japanese diplomats in Pekin at that time denied the fact which was later affirmed to be authentic in order to avoid the dreadful consequences of the explosion of anti-Japanese movement. The turbulent conditions in China from this shameful event until the present time, and the European war gave Japan a free hand in her dealings with China. Northern militarists, who was unable to reorganise the country, were assisted by the Japanese who provided them with funds for the maintenance of an usurpated power, consequently the country was pracically sold to Japan we regret to say that the complaisance of some Western powers bound to Japan by agreements contracted at a time when it was impossible to foresee the end of the war should go. All these were in Japan's favour as far as the Peace conference was concerned regardless of equity gave to Japan the leased territory of Kiao-Chow and other German rights, titles and privileges in the Shantung province.

The Chinese people strongly backed their Government declaring war against Germany and Austria-Hungary. The Chinese people as well as other Allied or Associated Powers were anxious for the final victory.

Was not the final victory, as declared many times by the leading statesmen of the Allies, to be won in order that people and government could be reestablished on one immutable basis of right and liberty.

China's participation in the great struggle for freedom could have been earlier and greater if Japan in the first place was not opposed to

China's entrance in the war. China, we also can affirm it, if asked to send troops, more laborers or any element susceptible to be a factor of the victory, would have done that and more if necessary. And China would have done it without any sort of bargain, only asking for the recovery of rights taken over by foreign imperialism.

China has been standing by the Allies in their hope for the creation of a League of Nations. Upon this International Supreme Court of Justice, the Chinese people are resting their last hope.

But here and there the Chinese people have been deceived. Alleging that China bound herself to Japan by agreements which has been proved imposed to her by means of ulltimatum and refusing to enter reservation proposed by Chinese delegates, the members of the Peace Conference following the Big-Three bound themselves by secret treaties to Japan decided to give to the latter the leased territory of Kiao-Chow and the German rights, titles and privileges in the Shantung provinces. It was explained how the Big-Three being afraid of the threat of Japan to desert the Conference were compelled to accept the Japanese claims.

It is a matter of fact the Big-Three had not taken into consideration what shall be the future of China consequently the future of the Far-East, if Japan inherited German interests in China. The Big-Three does not consider what will occur should the supremacy in the Far-East fall into Japanese hands.

Open door, equal opportunity, territorial integrity, national sovereignty of China recognized and guaranteed by the Big-Three and by other Governments, must be abandoned. The strongest partner in the concert of nations would have the strongest hand in Chinese foreign affairs,

What shall be the attitude of the Big-Three when Japan for protecting her interest might employ the force to safeguard these interests ?

The German interests transferred to Japan means the recognition of all secret treaties imposed on China by her violent neighbour and the future of China shall depend upon the goodwill of Japanese imperialists, so the Chinese people understand the Japanese succession to German interests.

How could the Chinese people calmly face so disgraceful a situation ? Is not the decision of the Peace Conference as a sort of disguised understanding for the subjugation of China by Japan ?

From all provinces the population denounced the attitude of the insatiate Japan who by all means possible as available tried to make China a subordinate state. Both the northern and the southern provinces requested their respective governments to take up adequate decisions but their requests were met with the most perfect indifference.

The Peking Government being in the hands of the Northern Militarists bound themselves by all sorts of obligations to Japanese officials or private concern can but only watch the development of the national sentiment. As for the South-Western government it can't act in any way owing to its equivocal character.

The Chinese delegates were instructed to defend the national rights, and they were urged to denounce and lay down before the Peace Conference secret treaties and agreements imposed upon China by her ambitious neighbour. The case as it was exposed by the Chinese delegates met with sympathy from all the members of the Conference, Japan

naturally excepted. One might have imagined that the Conference would render justice to so righteous a case, as the circumstances were in favour of China. But deception has just come out. The Peace Conference although sympathizing with China was unable to reject the Japanese claims.

Never before as at this instance the Chinese people realized how Japan's ambition is a great danger for China's existence. It was not against the Powers who were unable to do justice that aroused them but this was solely against Japan who had perjured to her promises and obtained from the Conference a sort of consecration for her enterprises in China. Also the Chinese people realized that most of the Northern Militarists instead of energetically defending the native land against foreign encroachment, have been looking upon the Japanese covetousness with favour. Several of them were reported to have acted as Japanese agents in their intrigues owing to the war, and were denounced as traitors. As price for their treachery they got loans for their military purposes. These loans the country must repay at the time fixed, if not the lender, i.e, Japan, will resort to means susceptible to safeguard the Japanese interests.

As it could be seen if the present situation was by no means reassuring the future caused much apprehension. The present and the future is so gloomy that the Chinese people put their last hope upon the Peace Conference as well as in the Leagae of Nations. But the Peace Conference decided in Japan's favour and it is reported that Japan will oppose China's participation in the Leagueo f nations.

The decision of the Peace Cconference is a "*deni*" of justice to China. Such a "*deni*" for the most righteous case provoked one explosion of bitter feeling among the Chinese people.

Business men, gentry, laborers, men and women, the rich and the poor, without distinction of social rank as a single body stand up, shouting their deception and suffering.

From all provinces the population raising their voice shouting for equity and justice are appealing to the world's justice. May the national voice of China be heard throughout the world.

The decision of the Big-three so far as improving the position of China is aggravating it. Upright Chinese statesmen are handicaped for future diplomatic transactions. They cannot move without provoking suspicion from Japan and as Japan will never consent to abandon the German interests a permanent cause of conflict shall remain.

To apply to the League of Nations when this League should function is the plea suggested to China.

We don't doubt of the efficiency of the League of Nations nor the ability of the same for assuring the realization of its decision. But such decision cannot be taken immediately. How long shall China's claim be retained before sentence?

Can Chinese people wait any longer? Can the world peace be maintained by the existence of more cause of conflict? Has the peace which ended the war been concluded with the ultimate purpose to secure a real peace?

The peace-makers do not care to proclaim and assert that their intention is to secure a real peace but their doings do not strengthen their declaration and notwithstanding their best intention it has been impossible for them to crush all cause of conflict and frame a real peace.

The position of China remains just as perilous as before and our country is at the mercy of the stronger.

Was so much sacrifice on her part for such a consequence"

China's national protest has not impressed very much on the foreign powers, but nobody could deny that her appeal to the world's justice will remain without answer.

Following China's national protest, anti-Japanese feeling gave birth to an anti-Japanese movment and the boycott of Japanese goods as a national protest against Japanese high way policy towards China is proving to be an adequate measure.

In every big centers strong organisations have been established notwithstanding loss of money and others sacrifices all classes decided never to yield to the intruder. Chinese people was never so well united for the defense of their native land. The patriotic movement stands firm and will probably remain so till justice be rendered to Chtna

To-day the boycott movement appears to be systematically and effectively organized. In all parts of China patriots are campaigning steadily and certainly with this movement on the embargo of all "lower grade goods" will spread throughout the provinces.

Japanese were convinced that the Chinese merchants would not follow the movement but as they are ignorant of the Chinese feeling they can't understand that sometimes national interest takes priority.

The Japanese expressed the opinion that the attitude of the Chinese people would not alter Japan's policy. Surely the Japanese reporters based their opinion on the beheaviour of northern militarists. In fact the Peking President on the 25th May issued a mandate prohibiting the students and others from holding meetings or delivering speeches to the nation. The officials prohibited the publication of anti-Japanese articles in order to preserve the "friendly relations between the two

countries." In addition Tuan Chi-jui expressed the opinion that the students should be court-martialled as perturbators of the peace. Following these drastic measures, over one thousand students were arrested. After reports had been received all the native shops in Shanghai closed, in protest against the student's arrest. Leading merchants point out that these students are patriotic and were only demanding the punishment of the traitors. It was reported also that all the Chinese shops throughout the foreign settlement shut up and that a feeling of unrest provails.

Lately reports were received that the Peking Government released all the students arrested and the military guards at the educational institutions were withdrawn.

The Peking Government was forced to change its policy in the presences of the patriotic attitude of the merchants.

It becomes evident that even if drastic measures were adopted by the northern authorities the anti-Japanese movement could not be stopped.

In conformity with her affectionate diplomatic method, Japan's Government instructed her representatives to inform the Chinese Government that if it failed to suppres that anti-Japanese movement then the Japanese Government would be forced to devise means for the protection of Japanese interests in Chinese territory.

Following this information telegraphic messages reported the sending of two squadrons by Japan to Chinese waters. If Japan is really thinking that the coming of her battleships to Chinese waters would and the boycott then she is greatly mistaken.

Such warlike demonstrations could but only strengthen the national sentiment towards the anti-Japanese movement.

It is not impossible that Japan is trying to have everything settled before the northern pro-Japanese clique can be driven out.

The "gun" policy was also cherished by Germany, but Germany has been defeated and has to pay for the blindness of her statesmen.

It should be a surprise for people associated in the struggle against German imperialism to learn of this cruise of Japan's fleet in Chinese waters. Nowadays the "gun" policy seems to be an old-fashioned method after the victory of the Allies. Frankly we are doubtful of the efficiency of this policy even supported by a pro-Japanese official clique.

The sudden protest of the Chinese will be a salutary scheme for the Japanese Diplomats to meditate upon. Once more Japan's statesmen proved that although backed by a strong army and a powerful fleet they are not sufficiently acquainted with the situation in China. They believe China under the control of the Northern Militarists as it was under the emperors, and endeavour to secure alliance with these militarists. As Japan has gold enough for paying such an alliance secret agreements were signed between the pro-Japanese clique and Tokyo's Government.

But time has changed as well as the Chinese national mind. Militarists can't hold control eternally. If they are standing till now it is thanks to the Japanese financial support and her contribution of arms and ammunitions. Such policy was possible in turbulent times when foreign powers interested in China's development were occupied in

fighting western imperialism. The situation now is reversed. The peace signed will permit these powers to pay greater attention to the Far-East

The most valuable assistance the Chinese people can get shall be from one general and sincere union of all parties for the defense of the fatherland menaced by the only imperialism still existing in the world. Such a union would strengthen China's position and force the intruder to modity his attitude.

Reports from Japan as well as news published by Japanese papers are unanimous to say that Japan is willing to return Kiao-Chow to China Later telegrams from Tokyo, dated 5th June, announced that Japan has fixed already the date for the return of Kiao-Chow to China and adds that this return shall be done at the date fixed.

Till this announcement and the conditions of the return should be officially confirmed the Chinese should persevere in their patriotic attitude.

As sure as everything will happen in the future, it is beyond doubt that no Govecnment or intruder can stand eternally against the national sentiments and the will of nations.

APPENDIX

JAPANESE TWENTY-ONE DEMANDS

Japan's Original Twenty-one Demands

(Translation of documents handed to the Dictator Yuan Shi Kai, by Mr. Hio Ki, the Japanese Minister, on January 18th 1915.).

Group I

The Japanese Government and the Chinese Govornment being desirous of maintaining the general peace in Easter Asia and further strengthening the friendlly relations of good neighbourhood existing between the two nations agree to the following articles:—

Article. 1.—The Chinese Government engages to give full assent to all matters upon which the Japanese Government may hereafter agree with the German Government relating to the disposition of all rights, interests and concessions, which Germany, by virtue of treaties or otherwise, possesses in relation to the province of Shantung.

Article. 2.—The Chinese Government engages that within the Province of Shantung and along its coast no territory or island wilt be ceded or leased to a third Power under any pretext.

Article 3.—The Chinese Government consents to Japan's building a railway from Chefoo or Lungkow to join the Kiao-Chow—Tsinanfu railway

Articve 4.—The Chinese Government engages, in the interest of trade and for the residence of foreigners, to open by herself as soon as possible certain important cities and towns in the Province of Shantung as Commercial Ports. What places shall be opened are to be jointly decided upon in a separate agreement.

Group II.

The Japanese Government and the Chinese Government, since the Chinese Government has always acknowledged the special position, enjoyed by Japan in South Manchuria and Eastern Inner Mongolia, agree to the following articles:—

Article 1.—The two Contracting Parties mutually agree that the term of lease of Port Arthur and Dalny and the term of lease of the South Manchurian Railway and Antung-Mukden Railway shall be extended to the period of 99 years.

Article 2.—Japanese subjects in South Manchuria and Eastern Inner Mongolia shall have the right to lease or own land required for erecting suitable buildings for trade manufacture or for farming.

Article 3.—Japanese subjets shall be free to reside and travel in South Manchuria aud Eastern Inner Mongolia and to engage in business and in manufacture of any kind whatsoever.

Article 4—The Chinese Government agrees to grant to Japanese subjects the right of opening the mines in South Manchuia and Eastern Inner Mongolia As regards what mines are to be opened, they shall be decided upon jointly.

Article 5.—The Chinese Government agrees that in respect of the (two) cases mentioned herein below the Japanese Government's consent shall be first obtained before action is taken:—

(a) Whenever permission is granted to the subject of a third Power to build a railway or to make a loan with a Power for the purpose of building a railway in South Manchuria and Easter Inner Mongolia.

(b) Whenever a loan is to be made with a third Power pledging the local taxes of South Manchuria Eastern Inner Mongolia as security.

Article 6.—The Chinese Government agrees that if the Chinese Government employs political, financial or military advisers or instructors in South Manchuria or Eastern Inner Mongolia, the Japanese Government shall first be consulted,

Article 7.—The Chinese Government agrees that the control and management of the Kirin-Changchun Railway shall be handed over to the Japanese Government for a term of 99 years dating from the signing of this Agreement.

Group III.

The Japanese Government and the Chinese Government, seeing that Japanese financiers and the Hanyehping Co. have close relations with each other at present and desiring that the common interests of the two nations shall be advanced, agree to the following articles:—

Article 1.—The two Contracting Parties mutually egree that when the opportune moment arrives the Hanyehping Company shall be made a joint concern of the two nations and they further agree that without the previous consent of Japan, China shall not by her own act dispose of the rights and property of whatsoever nature of the said Company nor cause the said Company to dispose freely of the same

Article 2.—The Chinese Government agrees that all mines in the neighbourhood of those owned by the Hanyehping Company shall not be permitted, without the consent of the said Company, to be worked by other persons outside the said Company; and further agrees that if it is desired to carry out any undertaking which, it is apprehended, may directly or indirectly affect the interests of the said Company, the consent of the said Company shall first be obtained.

Group IV

The Japanese Government and the Chinese Government with the object of effectively preserving the territorial integrity of China agrees to the following special article :—

The Chinese Government engages not to cede or lease to a third Power any harbour or bay or island along the coast of China.

Group V

Article 1.—The Chinese Central Government shall employ influential Japanese advisers in political, financial and military affairs.

Article 2.—Japanese hospitals, churches and schools in the interior of China shall be granted the right of owning land.

Article 3.—Inasmuch as the Japanese Government and the Chinese Government have had many cases of dispute between Japanese and Chinese police to settle cases which caused no little misunderstanding, it is for this reason necessary that the police departments of important places (in China) shall be jointly administered by Japanese and Chinese or that the police departments of these places shall employ numerous Japanese, so that they may at the same time help to plan for the improvement of the Chinese Police Service.

Article 4.—China shall purchase from Japan a fixed amount of munitions of war (say 50% or more) of what is needed by the Chinese Government or that there shall be established in China a Sino-Japanese jointly worked arsenal. Japanese technical experts are to be engaged.

Article 5.—China agrees to grant to Japan the right of constructing a railway connecting Wuchang with Kiukiang and Nanchang, another line between Nanchang and Hanchow, and another between Nanchang and Chaochou,

Article 6.—If China needs foreign capital to work mines, build railways and construct harbour works (including dockyards) in the Province of Fukien, Japan shall be first consulted.

Article 7.—China agrees that Japanese subjects shall have the right of missionary propaganda in China.

Treaty respecting the Province of Shantung.

His Excellency the President of the Republic of China and His Majesty the Emperor of Japan, having resolved to conclude a Treaty with a view to the maintenance of general peace in the Extreme East and the further strengthening of the relations of friendship and good neighbourhood now existing between the two nations, have for that purpose named as their Plenipotentiaries, that is to say.

His Excellency the President of the Republic of China, Lou Tseng-tsiang, Chung-ching, First class Chia Ho decoration, Minister of Foreign Affiairs;

And His Majesty the Emperor of Japan, Hioki Eki, Jushii, Second class of the Imperial Order of the Sacred Treasure, Minister Plenipotentiary, and Envoy Extraordinary;

Article 1.—The Chinese Government agrees to give full assent to all matters upon which the Japanese Government may hereafter agree with the German Government relating to the disposition of all rights, interests, and concessions which Germany, by virtue of treaties or otherwise, possesses in relation to the province of Shantung.

Article 2.—The Chinese Government agrees that as regards the railway to be built by China herself from Chefoo or Lungkow to connect with the Kiao-Chow-Tsinanfu Railway, if Germany abandons the privilege of financing the Chefoo-Weihsien line China will approach Japanese capitalists to negotiate for a loan.

Article 3.—The Chinese Government agrees in the interest of trade and for the residence of foreigners, to open by China herself as soon as possible certain suitable places in the province of Shantung as commercial ports.

Article 4.—The present Treaty shall come into force on the day of its signature.

The present Treaty shall be ratified by His Excellency the President of the Republic of China and His Majesty the Emperor of Japan, and the ratification thereof shall be exchanged at Tokyo as soon as possible.

In witness whereof the respective Plenipotentiaries of the High Contracting Parties have signed and sealed the present Treaty, two copies in the Chinese language and two in Japanese.

Done at Peking this twenty-fifth day of the fifth month of the fourth year of the Republic of China, corresponding to the same day of the same month of the fourth year of Taisho.

Exchange of Note respecting Shangtung.

NOTE

Peking, the 25th day of the 5th Month of the
4th Year of the Republic of China

Monsieur le Ministre,

In the name of the Chinese Government I have the honour to make the following declaration to your Government:—"Within the Province of Shantung or along its coast no territory or island will be leased to any foreign Power under any pretext."

I avail, etc.,

(Signed) Lou Tseng-tsiang

His Excellincy,'
Hioki Eki.
Japanese Minister.

REPLY

Peking, the 25th day of the 5th Month of the
4th Year of Taisho.

Excellency,

I have the honour to acknowledge the receipt of your Excellency's note of this day's date in which you made the following declaration in the name of the Chinese Government:—"Within the Province of Shantung or along its

coast no territory or island will be leased or ceded to any foreign Power under any pretext."

In reply I beg to state that I have taken note of this declaration.

I avail, etc.,

(Signed) HIOKI EKI.

His Excellency,
Lou Tseng-tsiang,
Minister of Foreign Affairs.

Exchange of Note respecting the Opening of Ports in Shantung.

NOTE

Peking, the 25th day of the 5th month of the 4th year of the Republic.

Monsieur le Minister.

I have the honour to state that the places which ought to be opened as Commercial Ports by China herself as provided in article 3 of the Treaty respecting the Province of Shantung signed this day, will be selected and the regulations therefor, will be drawn up, by the Chinese Government itself, a decision concerning which will be made after consulting the Minister of Japan.

I avail etc.,

(Signed) LOU TSENG TSIANG.

His Excellency,
Hioki Eki,
Japanese Minister.

REPLY

Peking, the 25th day of the 5th month of the 4th year of Taisho

Excellency,

I have the honour to acknowledge the receipt of your Excellency's note of this day's date in which you stated "that the places which ought to be opened as Commercial Ports by China herself, as provided in Article 3 of the Treaty respecting the province of Shantung signed this day, will be drawn up by the Chinese Government itself, a decision concerning which will be made after consulting the Minister of Japan.

In reply, I beg to state that I have taken note of the same.

I avail, etc.,

(Signed) HIOKI EKI.

His Excellency,
Lou Tseng-tsiang,
Minister of Foreign Affairs.

Exchange of Notes Respecting the Restoration of the Leased Territory of Kiao-Chow Bay.

— NOTE —

Peking, the 25th day of the 5th month of the 4th year of Taisho.

Excellency,

In the name of my Government I have the honour to make the following declaration to the Chinese Government:

When after the termination of the present war, the leased territory of Kiao-Chow Bay is completely left to the free disposal of Japan, the Japanese Government will restore the said leased territory to China under the following conditions:—

(1) The whole of Kiao-Chow Bay to be opened as a Commercial Port.

(2) A concession under the exclusive jurisdiction of Japan to be established at a place designated by the Japanese Government.

(3) If the foreign Powers desire it, an international Concession may be established.

(4) As regards the disposal to the mode of the buildings and properties of Germany and the conditions and procedure relating thereto, the Japanese Government and the Chinese Government shall arrange the matter by mutual agreement before the restoration.

I avail, etc.,

(Signed) HIOKI EKI.

His Excellency,

Lou Tseng-tsiang,

Minister of Foreign Affairs.

— REPLY —

Peking, the 25th day of the 5th month of the 4th year of the Republic of China.

Monsieur le Ministre.

I have the honour to acknowledge the receipt of your Excellency's note of this day's date in which you made the following declartion in the name of your Government:

" When, after the termination of the present war the leased territory of Kiao-Chow Bay is completely left to the free disposed of Japan, the Japanese Government will restore the said leased territory to China under the followring Conditions:

1. The whole of Kiao-Chow Bay to be opend as a Commercial Port.
2. A concession under the exclusive jurisdiction of Japan to be established at a place designated by the Japanese Government.
3. If the foreign Powers desire it, as international concession may be established.
4. As regards the disposal to be made of the buildings and properties of Germany and the conditional and procedure relating thireto, the Japanese Government shall arrange the matter by mutual agreement before the restoration.

In reply, I beg to state that I have taken note of this declaration.

I avail, etc.,

(Signed) LOU TSENG-TSIANG.

His Excellency,
Hioki Eki,
Japanese Minister,

Treaty respecting South Manchuria and Eastern Inner Mongolia.

His Excellency the President of the China and His Majesty the Emperor of Japan, having resolved to conclude a Treaty with a view to developing their economic relations in South Manchuria and Eastern Inner Mongolia, have for that purpose named as their Plenipotentiaries, that is to say:

His Excellency the President of the Republic of China, Lou Tseng-Tsiang, Chung-ching, First Class Chia Ho decoration, and Minister of Foreign Affairs;

And His Majesty the Emperor of Japan, Hioki Eki, Jushii, Second Class of the Imperial Order of the Sacred Treasure, Minister Plenipotentiary and Envoy Extraordinary;

Who, after having communicated to each other their full powers, and found them to be in good and due form, have agreed upon and concluded the following Articles:—

Article 1.—The two High Contracting Parties agree that the term of lease of Port Arthur and Dalny and the terms of the South Manchuria Railway and the Antung-Moukden Railway, shall be extended to 99 years.

Article 2.—Japanese subjects in South Manchuria may by negotiation, lease land necessary for erecting suitable buildings for trade and manufacture or for prosecuting agricultural enterprises.

Article 3.—Japanese subjects shall be free to reside and travel in South Manchuria and to engage in business and manufacture of any kind whatsoever.

Article 4.—In the event of Japanese and Chinese desiring jointly to undertake agricultural enterprises and industries incidental thereto, the Chinese Government may give its permission.

Article 5.—The Japanese subjects referred to in the preceding three articles, besides being required to register with the local authorities passports which they must procure under the existing regulations, shall also submit to the police laws and ordinances and taxation of China.

Civil and criminal cases in which the defendants are Japanese shall be tried and adjudicated by the Japanese Consul: those in which the defendants are Chinese shall be tried and adjudicated by Chinese authorities. In either case an officer may be deputed to the court to attend the proceedings. But mixed civil cases between Chinese and Japanese relating to land shall be tried and adjudicated by delegates of both nations conjointly in accordance with Chinese law and local usage.

When in future the judicial system in the said region is completely reformed, all civil and criminal cases concerning Japanese subject shall be tried and adjudicated entirely by Chinese law courts.

Article 6.—The Chinese Government agrees, in the interest of trade and for the residence of foreigners to open by China herself, as soon as possible, certain suitable places in Eastern Inner Mongolia as commercial ports.

Article 7.—The Chinese Government agrees speedily to make a fundamental revision of the Kirin-Changchun Railway Loan Agreement, taking as a standard the provisions in railway loan agreements made heretofore between China and foreign financiers.

When, in future, more advantageous terms than those in existing railway loan agreements are granted to foreign financiers in connexion with railway loan, the above agreement shall again be revised in accordance with Japan's wishes.

Article 8.—All existing treaties between China and Japan relating to Manchuria shall, except where otherwise provided for by this Treaty, remain in force.

Article 9.—The present Treaty shall come into force on the date of its signature. The present Treaty shall be ratified by His Excellency the President of the Republic of China and His Majesty the Emperor of Japan, and the ratifications thereof shall be exchanged at Tokyo as soon as possible.

In witness whereof the respective Plenipotentiaries of the two High Contracting Parties have signed and sealed the present Treaty, two copies in the Chinese language and two in Japanese.

Done at Peking this twenty-fifth day of the fifth month of the fourth year of the Republic of China, corresponding to the same day of same month of the fourth year of Taisho.

Lansing-Ishii Agreement

November 2, 1917

Exchange of Notes between the United States and Japan their mutual interest relating to the Republic of China. (Signed November 2, 1917)

The Secretary of State to the Ambassador Extraordinary and Plenipotentiary of Japan, on Special Mission.

Department of the State

Washington, November 2, 1917.

Excellency:

I have the honor to communicate herein my understanding of the agreements reached by us in our recent conversations touching the questions of mutual interest to our Governments relating to the Republic of China.

In order to silence mischievous reports that have from time to time been circulated, it is believed by us that a public announcement once more of the desires and intentions shared by our two Governments with regard China is advisable.

The Governments of the United States and Japan recognize that territorrial propi quity created special relations between countries, and consequentiy, the Government of the United States, recognizes that Japan has special interests in China, particularly in the part to which her possessions are contiguous.

The territorial sovereignty of China, nevertheless, remains unimpaired and the Government of the United States has every confidence in the repeated assurances of the Imperial Japanese Government that while geograpical position gives Japan such special interests they have no desire to discriminate against the trade of other nations or to disregard the commercial rights heretofore granted by China in treaties with other powers.

The Governments of the United States and Japan deny that they have any purpose to infringe in any way the independence or territorial integrity of China and they declare, furthermore, that they always adhere to the principle of the so-called "Open Door" or equal opportunity for commerce and industry in China.

Morover, they mutually declare that they are opposed to the acquisition by any Government of any special rights or privileges that would affect the independence or territorial integrity of China or that would deny to the subjects or citizens of any country the full enjoyment of equal opportunity in the commerce and industry of China.

I shall be glad to have Your Excellency confirm this understanding of the agreement reached by us.

Accept, Excellency, the renewed assurance of my highest consideration.

Robert Lansing

His Excellency,

Viscount Kiknjiro Ishii.

Ambassador Extraordinary and Plenipotentiary of Japanese, on Special Mission.

The Ambassador Extraordinary and Plenipotentiary of Japan, on Special Mission, to the Secretary of State.

Washington, November 2, 1917.

Sir:

I have the honor to acknowledge the receipt of your Note of to-day, communicating to me your understanding of the agreement reached by us in our recent conversations touching the questions of mutual interest of China.

I am happy to be able to confirm to you, under authorization of my Government, the understanding in question set forth in the following terms.

In order to silence mischievous reports that have from time to time been circulated, it is believed by us that a public announcement once more of the desires and intentions by our two governments with regard to China is advisable.

The Governments of Japan and the United States recognize that territorial propinquity creates special releations between countries, and, consequently, the Government of the United States recognizes that Japan has special interests in China, particularly in the part to which her possessions are contiguous.

The territorial sovereignty of China nevertheless, remains unimpaired and the Government of the United States has every confidence in the repeated assurances of the Imperial Japanese Government that while geographical position gives Japan such special interests they have no desire to discriminate against the trade of other nations or to disregard the

commercial rights heretofore granted by China in treaties with other Powers.

The Governments of Japan and the United States deny that they have any purpose to infringe in any way the independence or territorial integrity of China and they disclose, further more, that they always adhere to the principle of the so-called "Open Door" or equal opportunity for commerce and industry in China.

Moreover they mutually declare that they are opposed to the acquisition by any Gorvernment of any special rights or privileges that would affect the independence or territorial integrity of China or that would deny to the subjects or citizens of any country the full enjoyment of equal opportunity in the commerce and industry of China.

I take this opportunity to convey to you, Sir, the assurances of my highest consideration.

K. Ishii

Ambassador Extraordinary and Plenipotentiary of Japan of Special Mission.

Honorable Robert Lansing,

Secretary of State.

Declaration of the Chinese Government concerning notes exchanged between Japan and the United States on November 2, 1917. (1)

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(1) See Offical Bulletin, November 14,1917, p.2

The following declaration of the Chinese Government concerning the notes exchanged between the Governments of the United States and Japan, dated November 2, 1917, was handed to the Secretary of State by the Chinese Minister on November 12, 1917.

The Government of the United States and the Government of Japan have recently, in order to silence mischeivous reports, effected as exchange of notes at Washington concerning their desires and intentions with regard to China copies of the said notes have been communicated to the Chinese Government by the Japanese Minister at Peking. and the Chinese Government, in order to avoid misunderstanding, hastens to make the following declaration so as to make known the views of the government.

The principle adopted by the Chinese Government toward the friendly nations has always been one of justice and equality, and consequently the rights enjoyed by the friendly nations derived from the treaties have been consistently respected, and so even with the special relations between countries created by the fact of territorial contiguity, it is only in so far as they have already been provided for in her existing treaties. Hereafter the Chinese Government will adhere to the principle hitherto adopted, and hereby it is again declared that the Chinese Government will not allow herself to be bound by any agreement entered into by other nations. Chinese Legation November 12, 1917.

CHINA'S DECLARATIONS OF WAR

(1) Peking Government Declaration

(2) South-Western Provinces Federation Declaration

Peking Government Declaration of War on Germany and Austria

(Official Bulletin, Washington, August 14, 1917.)

The Chinese Minister at Washington to the Secretary of State

August 14, 1917

Sir,

In pursuance of instruction from my Government, I have the honor to inform you that China having previously broken off diplomatic relations with Germany, after protesting in vain against the policy of submarine warfare adopted by the central powers of Europe, in the hope that Germany might change that policy out of consideration for the adverse opinion of the world, now the Government of the Republic, having been disappointed in this hope, in order to manifest proper respect for the law of nations and to protect the lives and property and its citizens, declares that a state of war exists with Germany and Austria-Hungary from 10 o'clock in the forenoon of the 14th instant. and that it will observe all the stipulations of the conventions signed at the International Peace Conference at The Hague and other international agreements relating to civilized warfare.

Accept, Sir, the renewed assurances of my highest consideration

V. K. Washington Koo

South-Western Provinces Federation Declaration of War on Germany and Austria-Hungary

On September 26, 1917, Dr. Sun Yat-sen, Generalissimo of the Government at the South-Western Federation at Canton issued a declaration of war against the Central Powers.

"Upon the declaration by Germany of her submarine war, our Government immediately raised a protest. When the protest produced no result, our government, with the approval of the National Assembly, severed diplomatic relationship with Germany. Soon after, the National Assembly was asked to authorize the Government to declare war on Germany. Before action was taken, however, Ni Chi Chung and others rebelled, and interruption of the National Assembly has been caused; thus, legal action upon the bill has been delayed until this day. Recently Tuan Chu-jui has forged Presidenial Mandate by which he put himself in power and organized a government. Soon after war was declared against Germany and Austria-Hungary. According to law, the said declaration is improper; but as a matter of fact, a state of the war has actually existed between China and Germany and Austria-Hungary. This Government, upon inauguration; believes it is necessary to have a definite foreign policy in order to promote its welfare and on September 18, sent a message to the National Assembly in Extraordinary Session enquiring whether or not it should recognize that a state of war has actually existed between China and Germany and Austria-Hungary. The National Assembly in Extraodinary Session, on September 22

resolved to recognize the existence of a state of war and has replied accordingly.

"As the settlement of internal affairs and a war with other nations are two separate matters, and as the National Assembly in Extraordinary Session has recognize the existence of a state of war; therefore, now, we, the Military Government do hereby proclaim to all whom it may concern at home or abroad that, we shall prosecute the war, taking whatever action necessary and proper within international regulations governing warfare against the said two countries, Germany and Austria-Hungary. September 26, 1917."

The Lease of Kiao-Chow

Treaty between China and Germany, respecting the Lease of Kiao-Chau Germany of March, 1898.

The incidents connected with the Mission in the Prefecture of Tsao-Chau-foo, in Shantung, being now closed, the Imperial Chinese Government consider it advisable to give a special proof of their grateful appreciation of the friendship shown to them by Germany, the Imperial Germany and the Imperial Chinese Governments, therefore, inspired by the equal and mutual wish to strengthen the bonds of friendship which unite the two countries, and to develop the economic and commer-

cial relations between the subjects of the two States, have concluded the following separate convention :—

Section I.

Article I.—His Majesty the Emperor of China, guided by the intention to strengthen the friendly relations between China and Germany, and at the same time to increase the military readiness of the Chinese Empire, engages, while reserving to himself all rights of sovereignty in a zone of 50 kilom (100 Chinese li) surrounding the Bay of Kiao-Chow at high water, to permit the free passage of German troops within this zone at any time, as also to abstain from taking any measures, or issuing any Ordinances therein, without the previous consent of the German Government, and especially to place no obstacle in the way of any regulation of the water-courses which may prove to be necessary. His Majesty the Emperor of China, at the same time, reserves to himself the right to station troops within that zone, in agreement with the German Government, and to take other military measures.

Article 2.—With the intention of meeting the legitimate desire of His Majesty the German Emperor, that Germany like other Powers should hold a place on the Chinese coast for the repair and equipment of her ships for the storage of materials and provisions for the same, and for other arrangements connected therewith, His Majesty the Emperor of China cedes to Germany on lease, provisionally for ninety-nine years, both sides of the entrance to the Bay of Kiao-Chow.

Germany engages to construct, at a suitable of the moment, on the territory thus ceded, fortifications for the protection of the buildings to be Constructed there and of the entrance to the harbour.

Article 3.—In order to avoid the possibility of conflicts, the Imperial Chinese Government will abstain from exercising rights of sovereignty in the ceded territory during the term of the lease, and leaves the exercise of the same to Germany within the following limits:—

(1) On the northern side of the entrance to the bay:

(2) The peninsula bounded to the north-east by a line drawn from the south-western-most point of the bay lying to the south-south-east of Chiposan Island in the direction of Tolosan Island.

(3) The Island of Chiposan and Potalo Island.

(4) The whole water area of the bay up to the highest watermark at present known.

(5) All islands lying seaward from Kiao-chow Bay, which may be of importance for its defence, such as Tolosan, Chalienchow etc.

The High Contracting Parties reserve to themselves to delimitate more accurately, in accordance with local traditions, the boundaries of the territory leased to Germany and of the 50 kilom zone round the bay, by means of Commissioners to be appointed by both sides.

Chinese ships of war and merchant-vessels shall enjoy the same privileges in the Bay of Kiao-chao as the ships of other nations on friendly terms with Germany; and the entrance, departure, and sojourn of Chinese ships in the bay shall not be subject to any restrictions other than those which the Imperial German Government, in virtue of the rights of sovereignty over the whole of the water area of the bay transferred to Germany, may at any time find it necessary to impose with regard to the ships of other nations.

Article IV.—Germany engages to construct the necessary navigation signals on the islands and shallows at the entrance of the bay.

No dues shall be demanded from Chinese ships of war and merchant-vessels in the Bay of Kiao-chaw, except those which may be levied upon other vessels for the purpose of maintaining the necessary harbour arrangements and quays

Article V.—Should Germany at some future time express the wish to return Kiao-chaw Bay to China before the expiration of the lease, China engages to refund to Germany the expenditure she has incurred at Kiao-chao, and to cede to Germany a more suitable place.

Germany engages at no time to sublet the territory leased from China to another Power.

The Chinese population dwelling in the ceded territory shall at all times enjoy the protection of the German Government, provided that they behave in conformity with law and order; unless their land is required for other purpose, they may remain there.

If land belonging to Chinese owners is required for any other purpose, the owner will receive compensation.

As regards the re-establishment of Chinese customs stations which formerly existed outside the ceded territory but within the 50 kilom zone, the Imperial German Government intends to come to an agreement with the Chinese Government for the definitive regulation of the customs frontier, and the mode of collecting customs duties, in a manner which

will safeguard all the interests of China, and proposes to enter into further negotiations on the subject.

Section II

Article 1.—China agrees to permit Germany to construct two railway lines in the Province of Shantung; one from Kiaochau, past Wei Hsien, Ching Chau, Po-shan, Tzu-ch'uan and Tson-p'ing to Chi-nan and the Shantung frontier; the other from Kiaochau to I-chou, and thence past Lai-wu Hsien, to Chi-nan Fu. The railway from Chi-nan Fu to the frontier of Shantung is not to be begun until the line to Chi-nan Fu has been built, in order that arrangements may be made for a junction with the main line constructed by China. The route of the line is to be left for future arrangement.

Article 2.—For the construction of the above mentioned lines a German Chinese Company is to be formed (The Deutsche Chinesische Gesellschaft,) in which German and Chinese merchants may take shares.

Article. 3.—Arrangements for carrying out the above are to be made by the two countries as soon as possible.

The German-Chinese Company is to receive favourable treatment from China, and to enjoy all the other privileges granted to Chinese-European (or foreign) Commercial Companies established elsewhere in China

This Article is conceived only in the interests of Commerce; it has no other design, and the railways mentioned in no way constitute an annexation of Shantung territory.

Article. 4—Within 33 *li* (10 miles of the above railways—as, for instance, in Wei Hsien and Po-shan Hsien, on the northern line from Kao-Chau to Chi-nan Fu and in I-chou Fu and Lai-wu Hsien, on the southern line, from Kiao-chau via I-chou to Chi-nan Fu—Germany is permitted to excavate coal etc. The necesary works may be undertake by German and Chinese merchants combining their capital. Mining Regulations will be subsequently drawn up. The German merchants and workmen shall, as in the case of railways, receive favourable treatment from China and the same privileges as other Companies.

This Article is also conceived only in the interests of trade and has no other design.

Section III

If within the Province of Shantung any matters are undertaken for which foreign capital or assistance is invited, China agrees that the German merchants concerned shall first be asked whether they wish to undertake the works and provide the materials. If they do, China may make any arrangement she pleases. The above Agreement shall be ratified by the Sovereigns of both the Contracting States, and the ratifications exchanged in such manner that, after the receipt in Berlin of the Treaty ratified by China, the copy ratified by Germany shall be handed to the Chinese Minister in Berlin. The foregoing Treaty has been drawn up in four copies, two in German and two in Chinese, and was signed by the Representatives of the two Contracting states on the 6th March, 1898, equal to the 14th day of the 2nd month in the 24th year Kuang-hsu, (Great Seal of the Tsung-li Yamen).

Baron von Heyking, Imperial German Minister.

Li Hung-chang (in Chinese), Imperial Chinese Grand Secretary, Minister of the Tsungli Yamen, etc., etc.

Wang Tung-Ho (in Chinese), Imperial Chinese Grand Secretary, Member of the Council of State, Minister of the Tsung-li Yamen, etc., etc., etc.

FAR EASTERN POLICY

OF THE

UNITED STATES AND JAPAN

Takahira—Elihu Root Agreement

November 30, 1908.

Notes exchanged between the United States and Japan November 30, 1908, declaring their policy in the Far East.

The Japanese Ambassador to the Secretary of State

Imperial Japanese Embassy.
Washington, Nov. 30, 1908.

Sir: The exchange of views between us, which has taken place at the several interviews which I have recently had the honor of holding with you, has shown that Japan and the United States holding important outlying insular possession in the region of the Pacific Ocean, the Governments of the two countries are animated by a common aim, policy, and intention in that region.

Believing that frank avowal of that aim, policy, and intention would not only tend to strengthen the relations of friendship and good neighborhood which have immemorially existed between Japan and the United States, but would materially contribute to the preservation of the general peace, the Imperial Government have authorized me to present to you an outline of their understanding, of that common aim, policy and intention.

1. It is the wish of the two Governments to encourage the free and peaceful development of their commerce on the Pacific Ocean.

2. The policy of both Governments, uninfluenced by any aggressive tendencies, is directed to the maintenance of the existing status quo in

the region above mentioned and to the defense of the principle of equal opportunity for commerce and industry in China.

3. They are accordingly firmly resolved reciprocally, to respect the territorial possessions belonging to each other in the said region.

4. They also determined to preserve the common interest of all powers in China by supporting by all pacific means at their disposal the independence and integrity of China and the principle of equal opportunity for commerc and industry of all nations in that Empire.

5. Should any event occur threatening the status quo as above described or the principle of equal opportunity as above defined, it remains for the two Governments to communicate with each other in order to arrive at an understanding as to what measures they may consider it useful to take.

If the foregoing outline accord with the view of the government of the United States, I shall be gratified to receive your confirmation.

I take this opportunity to renew to your Excellency the assurance of my highest consideration.

K. Takahira

The Secretary of State to the Japanese Ambassador.

Excellency: Washington, Nov. 30, 1908.

I have the honor to acknowledge the receipt of your note of to-day setting forth the result of the exchange of views between us in our recent inserviews defining the understanding of the two Governments in regard their policy in the region of the Pacific Ocean.

It is a pleasure to inform you that this expression of mutual understanding is welcome to the Government of the United States as appropriate to the happy relations of the two countries and as the occasion for a concise mutual affirmation of that accordant policy respecting the Far East which the two Governments have so frequently declared in the past.

I am happy to to able to confirm to your Excellency on behalf of the United States, the declaration of the two Governments embodied in the following words.

It is the wish of the two Governments to encourage the free and peaceful development of their commerce on the Pacific Ocean.

The policy of both governments, uninfluenced by any aggressive tendencies, is directed to the maintenances of the existing status quo in the region above mentioned and to the defense of the principle of equal opportunity for commerce and industry in China.

They are according firmly resolved reciprocally to respect the territorial possessions belonging to each other in said region.

They are also determined to preserve the common interests of all powers in China supporting by all pacific means at their disposal the independence and integrity of China and the principle of equal opportunity for commerce and industry of all nations in that Empire.

(5) Should any event occur threatening the status quo as above described or the principle of equal opportunity as above defined, it remains for the two Governments to communicate with each other in order to

arrive at an understanding as to what measures they may consider it useful to take.

Accept, Excellency, the renewed assurance of my highest consideration.

Elihu Root.

Sino-Japanese Military Compact.

Article 1. In view of the penetration of enemy influence into the eastern territery of Russia, and of the likelishood of the peace of the two contracting parties being disturbed thereby, China and Japanese mutually agree actively to undertake the obligations of war-participation by measures designed jointly to guard against the action of the enemy.

Article 2. The two countries shall mutually recognize and respect the equality of the other regarding position and interests in carrying out joint military measures.

Article 3. When it is necessary to take action based on this agreement, orders will be issued by both China and Japan to their troops and people, calling on them to be frankly sincere in dealing with each other in the area of military operations; and the Chinese officials shall co-operate and assist the Japanese troops in the area involved so that there may be no hindrance to military movement. Japanese troops shall on their part respect Chinese sovereignty and shall not cause any inconvenience to the Chinese people by violating local customs and traditions.

Article 4. Japanese troops in Chinese territory shall withdraw from China as soon as war is ended.

Article 5. If it be found necessary to send troops outside of Chinese territory, troops will be jointly sent by the two countries.

Article 6. The war area and responibilities shall be fixed by mutual arrangement of the military authorities of the two countries as

when occasion arises in accordance with their respective military resources.

Article 7. In the interests of convenience, the military authorities of the two countries shall undertake the following affairs during the period necessary for the execution of joint measures :—

"1. The two countries shall mutually assist and facilitate each other in extending the means of communications post and connection with military movements and transportation.

"2. When necessary for war purposes contruction operation may carried on and the same shall be decided, when occasion arises, by mutual consent of the chief commanders of two countries. The said construction-operation shall be removed when the war is ended.

"3. The two countries shall mutually supply each other with military supplies and raw materials for the purposes of jointly guarding against the enemy. The quantity to be supplied shall be limited to the extent of the interfering with the necessary requirements of the country supplying the same

"4. Regarding questions of military sanitation in the war area the two countries shall render mutual assistance to each other.

"5. Officers directly concerned with war oporations shall mutually be sent by the two countries for co-operation. If one party should ask for the assistance of technical experts, the other shall supply the same.

"6. For convenience, military maps of the area of war operations will be exchanged

Article 8. When the Chinese Eastern Railway is used for military transportation, the provisions of the original treaty relating to the management and protection of the said line shall be respected. The method of transportation shall be decided as occasion arises.

Article 9. Details regarding the actual performance of this agreement of the delegates appointed by the Military Authorities of the two countries concerned.

Article 10. Neither of the two countries shall disclose contents of the agreement and its appendix, and the same shall be treated as military secrets.

Article 11. This Agreement shall become valid when it is approved by both Governments after being signed by the Military representatives of the two countries. As to the proper amount for the beginning of war operations, the same shall be decided by the highest military organs of the two countries. The provisions of this agreement and the detailed steps arising there from shall become null and void on the day the joint war measures against the enemy end.

Article 12. Two copies of the Chinese and of the Japanese text of this agreement shall be drawn ; one of each shall be kept by China and Japan. The Chinese and Japanese texts shall be identical in meaning."

ERRATA

Page	7,	l. 3,	for	serions read serious.
„	7,	l. 3,	„	sucess read success.
„	7,	l. 7,	„	Streonuous read Strenuous.
„	7,	l. 14,	„	initrigues read intrigues.
„	8,	l. 21,	„	desastrous read disastrous.
„	11,	l. 17,	„	snccess read success.
„	12,	l. 11,	„	advanteages read advantages.
„	12,	l. 23,	„	np read up.
„	13,	l. 17,	„	Germans read German,
„	14,	l. 13,	„	beleive read believe.
„	14,	l. 16,	„	beleived read believed.
„	14,	l. 22,	„	favourising read favouring.
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„	32,	l. 13,	„	preseut read present.
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„	82,	l. 4,	„	indebeness read indebtedness.
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„	101,	l. 19,	„	evident read evidence.
„	103,	l. 11,	„	affiermatively read affirmatively.
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